

2019

SESSION LAWS

OF THE

STATE OF WASHINGTON

2019 REGULAR SESSION
SIXTY-SIXTH LEGISLATURE
Convened January 14, 2019. Adjourned April 28, 2019.



Published at Olympia by the Statute Law Committee under
Chapter 44.20 RCW.

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<http://www.leg.wa.gov/codereviser>

WASHINGTON SESSION LAWS GENERAL INFORMATION

1. EDITIONS AVAILABLE.

- (a) *General Information.* The session laws are printed in a permanent softbound edition containing the accumulation of all laws adopted in the legislative session. The edition contains a subject index and tables indicating Revised Code of Washington sections affected.
- (b) *Where and how obtained - price.* The permanent session laws may be ordered from the Statute Law Committee, Pritchard Building, P.O. Box 40552, Olympia, Washington 98504-0552. The edition costs \$25.00 per set plus applicable state and local sales taxes and \$7.00 shipping and handling. All orders must be accompanied by payment.

2. PRINTING STYLE - INDICATION OF NEW OR DELETED MATTER.

The session laws are presented in the form in which they were enacted by the legislature. This style quickly and graphically portrays the current changes to existing law as follows:

- (a) In amendatory sections
 - (i) underlined matter is new matter.
 - (ii) deleted matter is (~~lined out and bracketed between double parentheses~~).
- (b) Complete new sections are prefaced by the words NEW SECTION.

3. PARTIAL VETOES.

- (a) Vetoed matter is ***printed in bold italics.***
- (b) Pertinent excerpts of the governor's explanation of partial vetoes are printed at the end of the chapter concerned.

4. EDITORIAL CORRECTIONS. Words and clauses inserted in the session laws under the authority of RCW 44.20.060 are enclosed in [brackets].

5. EFFECTIVE DATE OF LAWS.

- (a) The state Constitution provides that unless otherwise qualified, the laws of any session take effect ninety days after adjournment sine die. The Secretary of State has determined the effective date for the Laws of the 2019 regular session is July 28, 2019.
- (b) Laws that carry an emergency clause take effect immediately, or as otherwise specified, upon approval by the Governor.
- (c) Laws that prescribe an effective date take effect upon that date.

6. INDEX AND TABLES.

A cumulative index and tables of all 2019 laws may be found at the back of the final volume.

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CHAPTER 325

[Engrossed Second Substitute Senate Bill 5432]

BEHAVIORAL HEALTH INTEGRATION

AN ACT Relating to fully implementing behavioral health integration for January 1, 2020, by removing behavioral health organizations from law; clarifying the roles and responsibilities among the health care authority, department of social and health services, and department of health, and the roles and responsibilities of behavioral health administrative services organizations and medicaid managed care organizations; and making technical corrections related to the behavioral health system; amending RCW 71.24.011, 71.24.015, 71.24.016, 71.24.025, 71.24.030, 71.24.035, 71.24.037, 71.24.100, 71.24.155, 71.24.160, 71.24.215, 71.24.220, 71.24.240, 71.24.250, 71.24.260, 71.24.300, 71.24.335, 71.24.350, 71.24.370, 71.24.380, 71.24.405, 71.24.420, 71.24.430, 71.24.450, 71.24.455, 71.24.460, 71.24.470, 71.24.480, 71.24.490, 71.24.500, 71.24.520, 71.24.535, 71.24.540, 71.24.545, 71.24.555, 71.24.565, 71.24.600, 71.24.625, 71.24.630, 71.24.845, 71.24.870, 71.34.020, 71.34.300, 71.34.330, 71.34.379, 71.34.385, 71.34.415, 71.34.670, 71.34.750, 71.36.010, 71.36.025, 71.36.040, 71.05.025, 71.05.026, 71.05.027, 71.05.110, 71.05.203, 71.05.300, 71.05.365, 71.05.445, 71.05.458, 71.05.730, 71.05.740, 71.05.750, 71.05.755, 71.05.760, 74.09.337, 74.09.495, 74.09.515, 74.09.522, 74.09.555, 74.09.871, 9.41.280, 9.94A.660, 9.94A.664, 10.31.110, 10.77.010, 10.77.065, 13.40.165, 36.28A.440, 41.05.690, 43.20A.895, 43.20C.030, 43.185.060, 43.185.070, 43.185.110, 43.185C.340, 43.380.050, 48.01.220, 66.08.180, 70.02.010, 70.02.230, 70.02.250, 70.97.010, 70.320.010, 72.09.350, 72.09.370, 72.09.381, 72.10.060, 72.23.025, 74.09.758, 74.34.020, 74.34.068, and 10.77.280; reenacting and amending RCW 71.24.045, 71.24.061, 71.24.385, 71.24.580, 71.34.750, and 71.05.020; adding new sections to chapter 71.24 RCW; recodifying RCW 43.20A.895; decodifying RCW 28A.310.202, 44.28.800, 71.24.049, 71.24.320, 71.24.330, 71.24.360, 71.24.382, 71.24.515, 71.24.620, 71.24.805, 71.24.810, 71.24.840, 71.24.860, 71.24.902, 72.78.020, and 74.09.872; repealing RCW 71.24.110, 71.24.310, 71.24.340, 71.24.582, 74.09.492, 74.09.521, 74.09.873, 74.50.010, 74.50.011, 74.50.035, 74.50.040, 74.50.050, 74.50.055, 74.50.060, 74.50.070, 74.50.080, and 74.50.900; providing effective dates; providing an expiration date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

PART 1

Sec. 1001. RCW 71.24.011 and 1982 c 204 s 1 are each amended to read as follows:

This chapter may be known and cited as the community ~~((mental))~~ behavioral health services act.

Sec. 1002. RCW 71.24.015 and 2018 c 201 s 4001 are each amended to read as follows:

It is the intent of the legislature to establish a community ~~((mental))~~ behavioral health ~~((program))~~ system which shall help people experiencing mental illness or a substance use disorder to retain a respected and productive position in the community. This will be accomplished through programs that focus on resilience and recovery, and practices that are evidence-based, research-based, consensus-based, or, where these do not exist, promising or emerging best practices, which provide for:

(1) Access to ~~((mental))~~ behavioral health services for adults with mental illness and children with mental illness ~~((or))~~, emotional disturbances ~~((who meet access to care standards which services))~~, or substance use disorders, that recognize the special needs of underserved populations, including minorities, children, older adults, individuals with disabilities, and low-income persons. Access to mental health and substance use disorder services shall not be limited by a person's history of confinement in a state, federal, or local correctional facility. It is also the purpose of this chapter to promote the early identification of children with mental illness and to ensure that they receive the mental health

care and treatment which is appropriate to their developmental level. This care should improve home, school, and community functioning, maintain children in a safe and nurturing home environment, and should enable treatment decisions to be made in response to clinical needs in accordance with sound professional judgment while also recognizing parents' rights to participate in treatment decisions for their children;

(2) The involvement of persons with mental illness or substance use disorder, their family members, and advocates in designing and implementing ~~((mental))~~ behavioral health services that reduce unnecessary hospitalization and incarceration and promote ~~((the))~~ recovery and employment ~~((of persons with mental illness))~~. To improve the quality of services available and promote the rehabilitation, recovery, and reintegration of persons with mental illness or substance use disorder, consumer and advocate participation in ~~((mental))~~ behavioral health services is an integral part of the community ~~((mental))~~ behavioral health system and shall be supported;

(3) Accountability of efficient and effective services through state-of-the-art outcome and performance measures and statewide standards for monitoring client and system outcomes, performance, and reporting of client and system outcome information. These processes shall be designed so as to maximize the use of available resources for direct care of people with a mental illness and to assure uniform data collection across the state;

(4) Minimum service delivery standards;

(5) Priorities for the use of available resources for the care of individuals with mental illness or substance use disorder consistent with the priorities defined in the statute;

(6) Coordination of services within the department of social and health services, ~~((including those divisions within the department of social and health services that provide services to children, between))~~ the authority, the department, the department of ((social and health services)) children, youth, and families, and the office of the superintendent of public instruction, and among state mental hospitals, tribes, residential treatment facilities, county authorities, behavioral health administrative services organizations, managed care organizations, community ~~((mental))~~ behavioral health services, and other support services, which shall to the maximum extent feasible also include the families of individuals with mental illness or substance use disorder, and other service providers, including Indian health care providers; and

(7) Coordination of services aimed at reducing duplication in service delivery and promoting complementary services among all entities that provide ~~((mental))~~ behavioral health services to adults and children.

It is the policy of the state to encourage the provision of a full range of treatment and rehabilitation services in the state for mental disorders, or substance use disorders, including services operated by consumers and advocates. The legislature intends to encourage the development of regional ~~((mental))~~ behavioral health services with adequate local flexibility to assure eligible people in need of care access to the least-restrictive treatment alternative appropriate to their needs, and the availability of treatment components to assure continuity of care. ~~((To this end, counties must enter into joint operating agreements with other counties to form regional systems of care that are consistent with the regional service areas established under RCW 74.09.870.~~

~~Regional systems of care, whether operated by a county, group of counties, or another entity shall integrate planning, administration, and service delivery duties under chapter 71.05 RCW and this chapter to consolidate administration, reduce administrative layering, and reduce administrative costs.))~~ The legislature hereby finds and declares that sound fiscal management requires vigilance to ensure that funds appropriated by the legislature for the provision of needed community ~~((mental))~~ behavioral health ~~((programs and))~~ system services are ultimately expended solely for the purpose for which they were appropriated, and not for any other purpose.

It is further the intent of the legislature to integrate the provision of services to provide continuity of care through all phases of treatment. To this end, the legislature intends to promote active engagement with persons with mental illness and collaboration between families and service providers.

Sec. 1003. RCW 71.24.016 and 2014 c 225 s 7 are each amended to read as follows:

(1) The legislature intends that eastern and western state hospitals shall operate as clinical centers for handling the most complicated long-term care needs of patients with a primary diagnosis of mental disorder. It is further the intent of the legislature that the community ~~((mental))~~ behavioral health service delivery system focus on maintaining individuals with mental illness in the community. The program shall be evaluated and managed through a limited number of outcome and performance measures, as provided in RCW 43.20A.895 ~~(as recodified by this act)~~, 70.320.020, and 71.36.025.

(2) The legislature intends to address the needs of people with mental disorders with a targeted, coordinated, and comprehensive set of evidence-based practices that are effective in serving individuals in their community and will reduce the need for placements in state mental hospitals. The legislature further intends to explicitly hold behavioral health administrative services organizations, within available resources, and managed care organizations accountable for serving people with mental disorders within the boundaries of their regional service area ~~((and for not exceeding their allocation of state hospital beds))~~.

(3) The authority shall establish a work group to determine: (a) How to appropriately manage access to adult long-term inpatient involuntary care and the children's long-term inpatient program in the community and at eastern and western state hospitals, until such a time as the risk for long-term involuntary inpatient care may be fully integrated into managed care organization contracts, and provide advice to guide the integration process; and (b) how to expand bidirectional integration through increased support for co-occurring disorder services, including recommendations related to purchasing and rates. The work group shall include representation from the department of social and health services, the department of health, behavioral health administrative services organizations, at least two managed care organizations, the Washington state association of counties, community behavioral health providers, including providers with experience providing co-occurring disorder services, and the Washington state hospital association. Managed care representation on the work group must include at least one member with financial expertise and at least one member with clinical expertise. The managed care organizations on the work group shall represent the entire managed care sector and shall collaborate with

the nonrepresented managed care organizations. The work group shall provide recommendations to the office of financial management and appropriate committees of the legislature by December 15, 2019.

Sec. 1004. RCW 71.24.025 and 2018 c 201 s 4002 are each amended to read as follows:

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

(1) "Acutely mentally ill" means a condition which is limited to a short-term severe crisis episode of:

(a) A mental disorder as defined in RCW 71.05.020 or, in the case of a child, as defined in RCW 71.34.020;

(b) A being gravely disabled as defined in RCW 71.05.020 or, in the case of a child, a gravely disabled minor as defined in RCW 71.34.020; or

(c) Presenting a likelihood of serious harm as defined in RCW 71.05.020 or, in the case of a child, as defined in RCW 71.34.020.

(2) "Alcoholism" means a disease, characterized by a dependency on alcoholic beverages, loss of control over the amount and circumstances of use, symptoms of tolerance, physiological or psychological withdrawal, or both, if use is reduced or discontinued, and impairment of health or disruption of social or economic functioning.

(3) "Approved substance use disorder treatment program" means a program for persons with a substance use disorder provided by a treatment program licensed or certified by the department as meeting standards adopted under this chapter.

(4) "Authority" means the Washington state health care authority.

(5) "Available resources" means funds appropriated for the purpose of providing community (~~(mental)~~) behavioral health programs, federal funds, except those provided according to Title XIX of the Social Security Act, and state funds appropriated under this chapter or chapter 71.05 RCW by the legislature during any biennium for the purpose of providing residential services, resource management services, community support services, and other (~~(mental)~~) behavioral health services. This does not include funds appropriated for the purpose of operating and administering the state psychiatric hospitals.

(6) "Behavioral health administrative services organization" means (~~(any county authority or group of county authorities or other entity recognized by the director in contract in a defined region)~~) an entity contracted with the authority to administer behavioral health services and programs under section 1046 of this act, including crisis services and administration of chapter 71.05 RCW, the involuntary treatment act, for all individuals in a defined regional service area.

(7) "Community behavioral health program" means all expenditures, services, activities, or programs, including reasonable administration and overhead, designed and conducted to prevent or treat (~~(chemical dependency and)~~) substance use disorder, mental illness, or both in the community behavioral health system.

(8) "Behavioral health services" means mental health services as described in this chapter and chapter 71.36 RCW and substance use disorder treatment services as described in this chapter that, depending on the type of service, are provided by licensed or certified behavioral health agencies, behavioral health providers, or integrated into other health care providers.

(9) "Child" means a person under the age of eighteen years.

(10) "Chronically mentally ill adult" or "adult who is chronically mentally ill" means an adult who has a mental disorder and meets at least one of the following criteria:

(a) Has undergone two or more episodes of hospital care for a mental disorder within the preceding two years; or

(b) Has experienced a continuous psychiatric hospitalization or residential treatment exceeding six months' duration within the preceding year; or

(c) Has been unable to engage in any substantial gainful activity by reason of any mental disorder which has lasted for a continuous period of not less than twelve months. "Substantial gainful activity" shall be defined by the authority by rule consistent with Public Law 92-603, as amended.

(11) "Clubhouse" means a community-based program that provides rehabilitation services and is licensed or certified by the department.

(12) "Community (~~mental~~) behavioral health service delivery system" means public, private, or tribal agencies that provide services specifically to persons with mental disorders, substance use disorders, or both, as defined under RCW 71.05.020 and receive funding from public sources.

(13) "Community support services" means services authorized, planned, and coordinated through resource management services including, at a minimum, assessment, diagnosis, emergency crisis intervention available twenty-four hours, seven days a week, prescreening determinations for persons who are mentally ill being considered for placement in nursing homes as required by federal law, screening for patients being considered for admission to residential services, diagnosis and treatment for children who are acutely mentally ill or severely emotionally or behaviorally disturbed discovered under screening through the federal Title XIX early and periodic screening, diagnosis, and treatment program, investigation, legal, and other nonresidential services under chapter 71.05 RCW, case management services, psychiatric treatment including medication supervision, counseling, psychotherapy, assuring transfer of relevant patient information between service providers, recovery services, and other services determined by behavioral health administrative services organizations.

(14) "Consensus-based" means a program or practice that has general support among treatment providers and experts, based on experience or professional literature, and may have anecdotal or case study support, or that is agreed but not possible to perform studies with random assignment and controlled groups.

(15) "County authority" means the board of county commissioners, county council, or county executive having authority to establish a (~~community mental~~) behavioral health (~~program~~) administrative services organization, or two or more of the county authorities specified in this subsection which have entered into an agreement to (~~provide a community mental~~) establish a behavioral health (~~program~~) administrative services organization.

(16) "Department" means the department of health.

(17) "Designated crisis responder" (~~means a mental health professional designated by the county or other authority authorized in rule to perform the duties specified in this chapter~~) has the same meaning as in RCW 71.05.020.

(18) "Director" means the director of the authority.

(19) "Drug addiction" means a disease characterized by a dependency on psychoactive chemicals, loss of control over the amount and circumstances of use, symptoms of tolerance, physiological or psychological withdrawal, or both, if use is reduced or discontinued, and impairment of health or disruption of social or economic functioning.

(20) "Early adopter" means a regional service area for which all of the county authorities have requested that the authority purchase medical and behavioral health services through a managed care health system as defined under RCW 71.24.380(6).

(21) "Emerging best practice" or "promising practice" means a program or practice that, based on statistical analyses or a well established theory of change, shows potential for meeting the evidence-based or research-based criteria, which may include the use of a program that is evidence-based for outcomes other than those listed in subsection (22) of this section.

(22) "Evidence-based" means a program or practice that has been tested in heterogeneous or intended populations with multiple randomized, or statistically controlled evaluations, or both; or one large multiple site randomized, or statistically controlled evaluation, or both, where the weight of the evidence from a systemic review demonstrates sustained improvements in at least one outcome. "Evidence-based" also means a program or practice that can be implemented with a set of procedures to allow successful replication in Washington and, when possible, is determined to be cost-beneficial.

(23) "Indian health care provider" means a health care program operated by the Indian health service or by a tribe, tribal organization, or urban Indian organization as those terms are defined in the Indian health care improvement act (25 U.S.C. Sec. 1603).

(24) "Licensed physician" means a person licensed to practice medicine or osteopathic medicine and surgery in the state of Washington.

~~((24))~~ (25) "Licensed or certified ~~((service provider))~~ behavioral health agency" means:

(a) An entity licensed or certified according to this chapter or chapter 71.05 RCW ~~((or))~~;

(b) An entity deemed to meet state minimum standards as a result of accreditation by a recognized behavioral health accrediting body recognized and having a current agreement with the department~~((;))~~; or

(c) An entity with a tribal attestation that it meets state minimum standards~~((, or persons licensed under chapter 18.57, 18.57A, 18.71, 18.71A, 18.83, or 18.79 RCW, as it applies to registered nurses and advanced registered nurse practitioners))~~ for a licensed or certified behavioral health agency.

~~((25))~~ (26) "Long-term inpatient care" means inpatient services for persons committed for, or voluntarily receiving intensive treatment for, periods of ninety days or greater under chapter 71.05 RCW. "Long-term inpatient care" as used in this chapter does not include: (a) Services for individuals committed under chapter 71.05 RCW who are receiving services pursuant to a conditional release or a court-ordered less restrictive alternative to detention; or (b) services for individuals voluntarily receiving less restrictive alternative treatment on the grounds of the state hospital.

~~((26) "Mental health services" means all services provided by behavioral health organizations and other services provided by the state for persons who are mentally ill.))~~

(27) "Managed care organization" means an organization, having a certificate of authority or certificate of registration from the office of the insurance commissioner, that contracts with the authority under a comprehensive risk contract to provide prepaid health care services to enrollees under the authority's managed care programs under chapter 74.09 RCW.

(28) Mental health "treatment records" include registration and all other records concerning persons who are receiving or who at any time have received services for mental illness, which are maintained by the department of social and health services or the authority, by behavioral health administrative services organizations and their staffs, by managed care organizations and their staffs, or by treatment facilities. "Treatment records" do not include notes or records maintained for personal use by a person providing treatment services for the ~~((department of social and health services, behavioral health organizations))~~ entities listed in this subsection, or a treatment facility if the notes or records are not available to others.

~~((28))~~ (29) "Mentally ill persons," "persons who are mentally ill," and "the mentally ill" mean persons and conditions defined in subsections (1), (10), (36), and (37) of this section.

~~((29))~~ (30) "Recovery" means the process in which people are able to live, work, learn, and participate fully in their communities.

~~((30) "Registration records" include all the records of the department of social and health services, the authority, behavioral health organizations, treatment facilities, and other persons providing services for the department of social and health services, the authority, county departments, or facilities which identify persons who are receiving or who at any time have received services for mental illness.))~~

(31) "Research-based" means a program or practice that has been tested with a single randomized, or statistically controlled evaluation, or both, demonstrating sustained desirable outcomes; or where the weight of the evidence from a systemic review supports sustained outcomes as described in subsection (22) of this section but does not meet the full criteria for evidence-based.

(32) "Residential services" means a complete range of residences and supports authorized by resource management services and which may involve a facility, a distinct part thereof, or services which support community living, for persons who are acutely mentally ill, adults who are chronically mentally ill, children who are severely emotionally disturbed, or adults who are seriously disturbed and determined by the behavioral health administrative services organization or managed care organization to be at risk of becoming acutely or chronically mentally ill. The services shall include at least evaluation and treatment services as defined in chapter 71.05 RCW, acute crisis respite care, long-term adaptive and rehabilitative care, and supervised and supported living services, and shall also include any residential services developed to service persons who are mentally ill in nursing homes, residential treatment facilities, assisted living facilities, and adult family homes, and may include outpatient services provided as an element in a package of services in a supported housing

model. Residential services for children in out-of-home placements related to their mental disorder shall not include the costs of food and shelter, except for children's long-term residential facilities existing prior to January 1, 1991.

(33) "Resilience" means the personal and community qualities that enable individuals to rebound from adversity, trauma, tragedy, threats, or other stresses, and to live productive lives.

(34) "Resource management services" mean the planning, coordination, and authorization of residential services and community support services administered pursuant to an individual service plan for: (a) Adults and children who are acutely mentally ill; (b) adults who are chronically mentally ill; (c) children who are severely emotionally disturbed; or (d) adults who are seriously disturbed and determined ((solely)) by a behavioral health administrative services organization or managed care organization to be at risk of becoming acutely or chronically mentally ill. Such planning, coordination, and authorization shall include mental health screening for children eligible under the federal Title XIX early and periodic screening, diagnosis, and treatment program. Resource management services include seven day a week, twenty-four hour a day availability of information regarding enrollment of adults and children who are mentally ill in services and their individual service plan to designated crisis responders, evaluation and treatment facilities, and others as determined by the behavioral health administrative services organization or managed care organization, as applicable.

(35) "Secretary" means the secretary of the department of health.

(36) "Seriously disturbed person" means a person who:

(a) Is gravely disabled or presents a likelihood of serious harm to himself or herself or others, or to the property of others, as a result of a mental disorder as defined in chapter 71.05 RCW;

(b) Has been on conditional release status, or under a less restrictive alternative order, at some time during the preceding two years from an evaluation and treatment facility or a state mental health hospital;

(c) Has a mental disorder which causes major impairment in several areas of daily living;

(d) Exhibits suicidal preoccupation or attempts; or

(e) Is a child diagnosed by a mental health professional, as defined in chapter 71.34 RCW, as experiencing a mental disorder which is clearly interfering with the child's functioning in family or school or with peers or is clearly interfering with the child's personality development and learning.

(37) "Severely emotionally disturbed child" or "child who is severely emotionally disturbed" means a child who has been determined by the behavioral health administrative services organization or managed care organization, if applicable, to be experiencing a mental disorder as defined in chapter 71.34 RCW, including those mental disorders that result in a behavioral or conduct disorder, that is clearly interfering with the child's functioning in family or school or with peers and who meets at least one of the following criteria:

(a) Has undergone inpatient treatment or placement outside of the home related to a mental disorder within the last two years;

(b) Has undergone involuntary treatment under chapter 71.34 RCW within the last two years;

(c) Is currently served by at least one of the following child-serving systems: Juvenile justice, child-protection/welfare, special education, or developmental disabilities;

(d) Is at risk of escalating maladjustment due to:

(i) Chronic family dysfunction involving a caretaker who is mentally ill or inadequate;

(ii) Changes in custodial adult;

(iii) Going to, residing in, or returning from any placement outside of the home, for example, psychiatric hospital, short-term inpatient, residential treatment, group or foster home, or a correctional facility;

(iv) Subject to repeated physical abuse or neglect;

(v) Drug or alcohol abuse; or

(vi) Homelessness.

(38) "State minimum standards" means minimum requirements established by rules adopted and necessary to implement this chapter by:

(a) The authority for:

(i) Delivery of mental health and substance use disorder services; and

(ii) Community support services and resource management services;

(b) The department of health for:

(i) Licensed or certified (~~(service providers)~~) behavioral health agencies for the (~~(provision of)~~) purpose of providing mental health (~~(and)~~) or substance use disorder programs and services, or both; (and)

(ii) Licensed behavioral health providers for the provision of mental health or substance use disorder services, or both; and

(iii) Residential services.

(39) "Substance use disorder" means a cluster of cognitive, behavioral, and physiological symptoms indicating that an individual continues using the substance despite significant substance-related problems. The diagnosis of a substance use disorder is based on a pathological pattern of behaviors related to the use of the substances.

(40) "~~((Tribal authority))~~ Tribe," for the purposes of this section (~~(and RCW 71.24.300 only)~~), means (~~(= The)~~) a federally recognized Indian tribe(~~(s and the major Indian organizations recognized by the director insofar as these organizations do not have a financial relationship with any behavioral health organization that would present a conflict of interest)~~).

(41) "Behavioral health provider" means a person licensed under chapter 18.57, 18.57A, 18.71, 18.71A, 18.83, 18.205, 18.225, or 18.79 RCW, as it applies to registered nurses and advanced registered nurse practitioners.

Sec. 1005. RCW 71.24.030 and 2018 c 201 s 4003 are each amended to read as follows:

The director is authorized to make grants and/or purchase services from counties, combinations of counties, or other entities, to establish and operate community (~~(mental))~~ behavioral health programs.

Sec. 1006. RCW 71.24.035 and 2018 c 201 s 4004 are each amended to read as follows:

(1) The authority is designated as the state behavioral health authority which includes recognition as the single state authority for substance use disorders and state mental health authority.

(2) The director shall provide for public, client, tribal, and licensed or certified (~~service provider~~) behavioral health agency participation in developing the state behavioral health program, developing related contracts (~~(with behavioral health organizations)~~), and any waiver request to the federal government under medicaid.

(3) The director shall provide for participation in developing the state behavioral health program for children and other underserved populations, by including representatives on any committee established to provide oversight to the state behavioral health program.

(4) (~~The director shall be designated as the behavioral health organization if the behavioral health organization fails to meet state minimum standards or refuses to exercise responsibilities under its contract or RCW 71.24.045, until such time as a new behavioral health organization is designated.~~) The authority shall be designated as the behavioral health administrative services organization for a regional service area if a behavioral health administrative services organization fails to meet the authority's contracting requirements or refuses to exercise the responsibilities under its contract or state law, until such time as a new behavioral health administrative services organization is designated.

(5) The director shall:

(a) (~~Develop a biennial state behavioral health program that incorporates regional biennial needs assessments and regional mental health service plans and state services for adults and children with mental disorders or substance use disorders or both;~~

~~(b))~~ Assure that any behavioral health administrative services organization, managed care organization, or (~~county~~) community behavioral health program provides medically necessary services to medicaid recipients consistent with the state's medicaid state plan or federal waiver authorities, and nonmedicaid services consistent with priorities established by the authority;

~~((c) Develop and adopt rules establishing state minimum standards for the delivery of behavioral health services pursuant to RCW 71.24.037 including, but not limited to:~~

~~(i) Licensed or certified service providers. These rules shall permit a county-operated behavioral health program to be licensed as a service provider subject to compliance with applicable statutes and rules.~~

~~(ii) Inpatient services, an adequate network of evaluation and treatment services and facilities under chapter 71.05 RCW to ensure access to treatment, resource management services, and community support services;~~

~~(d) Assure that the special needs of persons who are minorities, elderly, disabled, children, low income, and parents who are respondents in dependency cases are met within the priorities established in this section;~~

~~(e) Establish a standard contract or contracts, consistent with state minimum standards which shall be used in contracting with behavioral health organizations. The standard contract shall include a maximum fund balance, which shall be consistent with that required by federal regulations or waiver stipulations;~~

~~(f))~~ (b) Develop contracts in a manner to ensure an adequate network of inpatient services, evaluation and treatment services, and facilities under chapter 71.05 RCW to ensure access to treatment, resource management services, and community support services;

(c) Make contracts necessary or incidental to the performance of its duties and the execution of its powers, including managed care contracts for behavioral health services, contracts entered into under RCW 74.09.522, and contracts with public and private agencies, organizations, and individuals to pay them for behavioral health services;

~~((g))~~ (d) Define administrative costs and ensure that the behavioral health administrative services organization does not exceed an administrative cost of ten percent of available funds;

(e) Establish, to the extent possible, a standardized auditing procedure which is designed to assure compliance with contractual agreements authorized by this chapter and minimizes paperwork requirements ~~((of behavioral health organizations and licensed or certified service providers))~~. The audit procedure shall focus on the outcomes of service as provided in RCW 43.20A.895 ~~(as recodified by this act)~~, 70.320.020, and 71.36.025;

~~((h))~~ (f) Develop and maintain an information system to be used by the state and behavioral health administrative services organizations and managed care organizations that includes a tracking method which allows the authority ~~((and behavioral health organizations))~~ to identify behavioral health clients' participation in any behavioral health service or public program on an immediate basis. The information system shall not include individual patient's case history files. Confidentiality of client information and records shall be maintained as provided in this chapter and chapter 70.02 RCW;

~~((i))~~ ~~Periodically monitor the compliance of behavioral health organizations and their network of licensed or certified service providers for compliance with the contract between the authority, the behavioral health organization, and federal and state rules at reasonable times and in a reasonable manner;~~

~~((j))~~ (g) Monitor and audit behavioral health administrative services organizations as needed to assure compliance with contractual agreements authorized by this chapter;

~~((k))~~ (h) Monitor and audit access to behavioral health services for individuals eligible for medicaid who are not enrolled in a managed care organization;

(l) Adopt such rules as are necessary to implement the authority's responsibilities under this chapter; ~~((and~~

~~((h))~~ (j) Administer or supervise the administration of the provisions relating to persons with substance use disorders and intoxicated persons of any state plan submitted for federal funding pursuant to federal health, welfare, or treatment legislation;

(k) Require the behavioral health administrative services organizations and the managed care organizations to develop agreements with tribal, city, and county jails and the department of corrections to accept referrals for enrollment on behalf of a confined person, prior to the person's release; and

(l) Require behavioral health administrative services organizations and managed care organizations, as applicable, to provide services as identified in RCW 71.05.585 to individuals committed for involuntary commitment under less restrictive alternative court orders when:

(i) The individual is enrolled in the medicaid program; or

(ii) The individual is not enrolled in medicaid, does not have other insurance which can pay for the services, and the behavioral health administrative services organization has adequate available resources to provide the services.

(6) The director shall use available resources only for behavioral health administrative services organizations and managed care organizations, except:

(a) To the extent authorized, and in accordance with any priorities or conditions specified, in the biennial appropriations act; or

(b) To incentivize improved performance with respect to the client outcomes established in RCW 43.20A.895 (as recodified by this act), 70.320.020, and 71.36.025, integration of behavioral health and medical services at the clinical level, and improved care coordination for individuals with complex care needs.

(7) Each behavioral health administrative services organization, managed care organization, and licensed or certified ~~((service provider))~~ behavioral health agency shall file with the secretary of the department of health or the director, on request, such data, statistics, schedules, and information as the secretary of the department of health or the director reasonably requires. A behavioral health administrative services organization, managed care organization, or licensed or certified ~~((service provider))~~ behavioral health agency which, without good cause, fails to furnish any data, statistics, schedules, or information as requested, or files fraudulent reports thereof, may be subject to the ~~((behavioral health organization))~~ contractual remedies in RCW 74.09.871 or may have its service provider certification or license revoked or suspended.

(8) The superior court may restrain any behavioral health administrative services organization, managed care organization, or service provider from operating without a contract, certification, or a license or any other violation of this section. The court may also review, pursuant to procedures contained in chapter 34.05 RCW, any denial, suspension, limitation, restriction, or revocation of certification or license, and grant other relief required to enforce the provisions of this chapter.

(9) Upon petition by the secretary of the department of health or the director, and after hearing held upon reasonable notice to the facility, the superior court may issue a warrant to an officer or employee of the secretary of the department of health or the director authorizing him or her to enter at reasonable times, and examine the records, books, and accounts of any behavioral health administrative services organization, managed care organization, or service provider refusing to consent to inspection or examination by the authority.

(10) Notwithstanding the existence or pursuit of any other remedy, the secretary of the department of health or the director may file an action for an injunction or other process against any person or governmental unit to restrain or prevent the establishment, conduct, or operation of a behavioral health administrative services organization, managed care organization, or service provider without a contract, certification, or a license under this chapter.

(11) The authority shall distribute appropriated state and federal funds in accordance with any priorities, terms, or conditions specified in the appropriations act.

~~((12) The director shall assume all duties assigned to the nonparticipating behavioral health organizations under chapters 71.05 and 71.34 RCW and this~~

~~chapter. Such responsibilities shall include those which would have been assigned to the nonparticipating counties in regions where there are not participating behavioral health organizations.~~

~~The behavioral health organizations, or the director's assumption of all responsibilities under chapters 71.05 and 71.34 RCW and this chapter, shall be included in all state and federal plans affecting the state behavioral health program including at least those required by this chapter, the medicaid program, and P.L. 99-660. Nothing in these plans shall be inconsistent with the intent and requirements of this chapter.~~

~~(13) The director shall:~~

~~(a) Disburse funds for the behavioral health organizations within sixty days of approval of the biennial contract. The authority must either approve or reject the biennial contract within sixty days of receipt.~~

~~(b) Enter into biennial contracts with behavioral health organizations. The contracts shall be consistent with available resources. No contract shall be approved that does not include progress toward meeting the goals of this chapter by taking responsibility for: (i) Short term commitments; (ii) residential care; and (iii) emergency response systems.~~

~~(c) Notify behavioral health organizations of their allocation of available resources at least sixty days prior to the start of a new biennial contract period.~~

~~(d) Deny all or part of the funding allocations to behavioral health organizations based solely upon formal findings of noncompliance with the terms of the behavioral health organization's contract with the authority. Behavioral health organizations disputing the decision of the director to withhold funding allocations are limited to the remedies provided in the authority's contracts with the behavioral health organizations.~~

~~((14)) (12) The authority, in cooperation with the state congressional delegation, shall actively seek waivers of federal requirements and such modifications of federal regulations as are necessary to allow federal medicaid reimbursement for services provided by freestanding evaluation and treatment facilities licensed under chapter 71.12 RCW or certified under chapter 71.05 RCW. The authority shall periodically ~~((report))~~ share the results of its efforts ~~((to))~~ with the appropriate committees of the senate and the house of representatives.~~

~~((15)) (13) The authority may:~~

~~(a) Plan, establish, and maintain substance use disorder prevention and substance use disorder treatment programs as necessary or desirable;~~

~~(b) Coordinate its activities and cooperate with behavioral programs in this and other states, and make contracts and other joint or cooperative arrangements with state, tribal, local, or private agencies in this and other states for behavioral health services and for the common advancement of substance use disorder programs;~~

~~(c) Solicit and accept for use any gift of money or property made by will or otherwise, and any grant of money, services, or property from the federal government, the state, or any political subdivision thereof or any private source, and do all things necessary to cooperate with the federal government or any of its agencies in making an application for any grant;~~

~~(d) Keep records and engage in research and the gathering of relevant statistics; and~~

(e) Acquire, hold, or dispose of real property or any interest therein, and construct, lease, or otherwise provide substance use disorder treatment programs.

Sec. 1007. RCW 71.24.037 and 2018 c 201 s 4005 are each amended to read as follows:

(1) ~~The secretary shall ((by rule establish state minimum standards for licensed or certified behavioral health service providers and services, whether those service providers and services are licensed or certified to provide solely mental health services, substance use disorder treatment services, or services to persons with co-occurring disorders))~~ license or certify any agency or facility that: (a) Submits payment of the fee established under RCW 43.70.110 and 43.70.250; (b) submits a complete application that demonstrates the ability to comply with requirements for operating and maintaining an agency or facility in statute or rule; and (c) successfully completes the precicensure inspection requirement.

(2) ~~The secretary shall establish by rule minimum standards for licensed or certified behavioral health ((service providers shall))~~ agencies that must, at a minimum, establish: (a) Qualifications for staff providing services directly to persons with mental disorders, substance use disorders, or both((?)); (b) the intended result of each service((?)); and (c) the rights and responsibilities of persons receiving behavioral health services pursuant to this chapter and chapter 71.05 RCW. The secretary shall provide for deeming of licensed or certified behavioral health ((service providers)) agencies as meeting state minimum standards as a result of accreditation by a recognized behavioral health accrediting body recognized and having a current agreement with the department.

(3) ~~((Minimum standards for community support services and resource management services shall include at least qualifications for resource management services, client tracking systems, and the transfer of patient information between behavioral health service providers.~~

~~(4) The department may suspend, revoke, limit, restrict, or modify an approval, or refuse to grant approval, for failure to meet the provisions of this chapter, or the standards adopted under this chapter. RCW 43.70.115 governs notice of a license or certification denial, revocation, suspension, or modification and provides the right to an adjudicative proceeding.))~~ The department shall review reports or other information alleging a failure to comply with this chapter or the standards and rules adopted under this chapter and may initiate investigations and enforcement actions based on those reports.

(4) The department shall conduct inspections of agencies and facilities, including reviews of records and documents required to be maintained under this chapter or rules adopted under this chapter.

(5) The department may suspend, revoke, limit, restrict, or modify an approval, or refuse to grant approval, for failure to meet the provisions of this chapter, or the standards adopted under this chapter. RCW 43.70.115 governs notice of a license or certification denial, revocation, suspension, or modification and provides the right to an adjudicative proceeding.

(6) No licensed or certified behavioral health service provider may advertise or represent itself as a licensed or certified behavioral health service provider if

approval has not been granted~~((5))~~ or has been denied, suspended, revoked, or canceled.

~~((6))~~ (7) Licensure or certification as a behavioral health service provider is effective for one calendar year from the date of issuance of the license or certification. The license or certification must specify the types of services provided by the behavioral health service provider that meet the standards adopted under this chapter. Renewal of a license or certification must be made in accordance with this section for initial approval and in accordance with the standards set forth in rules adopted by the secretary.

~~((7))~~ (8) Licensure or certification as a licensed or certified behavioral health service provider must specify the types of services provided that meet the standards adopted under this chapter. Renewal of a license or certification must be made in accordance with this section for initial approval and in accordance with the standards set forth in rules adopted by the secretary.

~~((8))~~ (9) Licensed or certified behavioral health service providers may not provide types of services for which the licensed or certified behavioral health service provider has not been certified. Licensed or certified behavioral health service providers may provide services for which approval has been sought and is pending, if approval for the services has not been previously revoked or denied.

~~((9))~~ (10) The department periodically shall inspect licensed or certified behavioral health service providers at reasonable times and in a reasonable manner.

~~((10))~~ (11) Upon petition of the department and after a hearing held upon reasonable notice to the facility, the superior court may issue a warrant to an officer or employee of the department authorizing him or her to enter and inspect at reasonable times, and examine the books and accounts of, any licensed or certified behavioral health service provider refusing to consent to inspection or examination by the department or which the department has reasonable cause to believe is operating in violation of this chapter.

~~((11))~~ (12) The department shall maintain and periodically publish a current list of licensed or certified behavioral health service providers.

~~((12))~~ (13) Each licensed or certified behavioral health service provider shall file with the department or the authority upon request, data, statistics, schedules, and information the department or the authority reasonably requires. A licensed or certified behavioral health service provider that without good cause fails to furnish any data, statistics, schedules, or information as requested, or files fraudulent returns thereof, may have its license or certification revoked or suspended.

~~((13))~~ (14) The authority shall use the data provided in subsection ~~((12))~~ (13) of this section to evaluate each program that admits children to inpatient substance use disorder treatment upon application of their parents. The evaluation must be done at least once every twelve months. In addition, the authority shall randomly select and review the information on individual children who are admitted on application of the child's parent for the purpose of determining whether the child was appropriately placed into substance use disorder treatment based on an objective evaluation of the child's condition and the outcome of the child's treatment.

~~((14))~~ (15) Any settlement agreement entered into between the department and licensed or certified behavioral health service providers to resolve administrative complaints, license or certification violations, license or certification suspensions, or license or certification revocations may not reduce the number of violations reported by the department unless the department concludes, based on evidence gathered by inspectors, that the licensed or certified behavioral health service provider did not commit one or more of the violations.

~~((15))~~ (16) In cases in which a behavioral health service provider that is in violation of licensing or certification standards attempts to transfer or sell the behavioral health service provider to a family member, the transfer or sale may only be made for the purpose of remedying license or certification violations and achieving full compliance with the terms of the license or certification. Transfers or sales to family members are prohibited in cases in which the purpose of the transfer or sale is to avoid liability or reset the number of license or certification violations found before the transfer or sale. If the department finds that the owner intends to transfer or sell, or has completed the transfer or sale of, ownership of the behavioral health service provider to a family member solely for the purpose of resetting the number of violations found before the transfer or sale, the department may not renew the behavioral health service provider's license or certification or issue a new license or certification to the behavioral health service provider.

Sec. 1008. RCW 71.24.045 and 2018 c 201 s 4006 and 2018 c 175 s 7 are each reenacted and amended to read as follows:

~~((The behavioral health organization shall:~~

~~(1) Contract as needed with licensed or certified service providers. The behavioral health organization may, in the absence of a licensed or certified service provider entity, become a licensed or certified service provider entity pursuant to minimum standards required for licensing or certification by the department for the purpose of providing services not available from licensed or certified service providers;~~

~~(2) Operate as a licensed or certified service provider if it deems that doing so is more efficient and cost effective than contracting for services. When doing so, the behavioral health organization shall comply with rules adopted by the director that shall provide measurements to determine when a behavioral health organization provided service is more efficient and cost effective;~~

~~(3) Monitor and perform biennial fiscal audits of licensed or certified service providers who have contracted with the behavioral health organization to provide services required by this chapter. The monitoring and audits shall be performed by means of a formal process which insures that the licensed or certified service providers and professionals designated in this subsection meet the terms of their contracts;~~

~~(4) Establish reasonable limitations on administrative costs for agencies that contract with the behavioral health organization;~~

~~(5) Assure that the special needs of minorities, older adults, individuals with disabilities, children, and low income persons are met within the priorities established in this chapter;~~

~~(6) Maintain patient tracking information in a central location as required for resource management services and the authority's information system;~~

~~(7) Collaborate to ensure that policies do not result in an adverse shift of persons with mental illness into state and local correctional facilities;~~

~~(8) Work with the authority to expedite the enrollment or reenrollment of eligible persons leaving state or local correctional facilities and institutions for mental diseases;~~

~~(9) Work closely with the designated crisis responder to maximize appropriate placement of persons into community services;~~

~~(10) Coordinate services for individuals who have received services through the community mental health system and who become patients at a state psychiatric hospital to ensure they are transitioned into the community in accordance with mutually agreed upon discharge plans and upon determination by the medical director of the state psychiatric hospital that they no longer need intensive inpatient care; and~~

~~(11) Allow reimbursement for time spent supervising persons working toward satisfying supervision requirements established for the relevant practice areas pursuant to RCW 18.225.090-))~~ (1) The behavioral health administrative services organization contracted with the authority pursuant to section 1046 of this act shall:

(a) Administer crisis services for the assigned regional service area. Such services must include:

(i) A behavioral health crisis hotline for its assigned regional service area;

(ii) Crisis response services twenty-four hours a day, seven days a week, three hundred sixty-five days a year;

(iii) Services related to involuntary commitments under chapters 71.05 and 71.34 RCW;

(iv) Additional noncrisis behavioral health services, within available resources, to individuals who meet certain criteria set by the authority in its contracts with the behavioral health administrative services organization. These services may include services provided through federal grant funds, provisos, and general fund state appropriations;

(v) Care coordination, diversion services, and discharge planning for nonmedicaid individuals transitioning from state hospitals or inpatient settings to reduce rehospitalization and utilization of crisis services, as required by the authority in contract; and

(vi) Regional coordination, cross-system and cross-jurisdiction coordination with tribal governments, and capacity building efforts, such as supporting the behavioral health advisory board, the behavioral health ombuds, and efforts to support access to services or to improve the behavioral health system;

(b) Administer and provide for the availability of an adequate network of evaluation and treatment services to ensure access to treatment, investigation, transportation, court-related, and other services provided as required under chapter 71.05 RCW;

(c) Coordinate services for individuals under RCW 71.05.365;

(d) Administer and provide for the availability of resource management services, residential services, and community support services as required under its contract with the authority;

(e) Contract with a sufficient number, as determined by the authority, of licensed or certified providers for crisis services and other behavioral health services required by the authority;

(f) Maintain adequate reserves or secure a bond as required by its contract with the authority;

(g) Establish and maintain quality assurance processes;

(h) Meet established limitations on administrative costs for agencies that contract with the behavioral health administrative services organization; and

(i) Maintain patient tracking information as required by the authority.

(2) The behavioral health administrative services organization must collaborate with the authority and its contracted managed care organizations to develop and implement strategies to coordinate care with tribes and community behavioral health providers for individuals with a history of frequent crisis system utilization.

(3) The behavioral health administrative services organization shall:

(a) Assure that the special needs of minorities, older adults, individuals with disabilities, children, and low-income persons are met;

(b) Collaborate with local government entities to ensure that policies do not result in an adverse shift of persons with mental illness into state and local correctional facilities; and

(c) Work with the authority to expedite the enrollment or reenrollment of eligible persons leaving state or local correctional facilities and institutions for mental diseases.

Sec. 1009. RCW 71.24.061 and 2018 c 288 s 2 and 2018 c 201 s 4007 are each reenacted and amended to read as follows:

(1) The authority shall provide flexibility (~~(in provider contracting to behavioral health organizations for children's mental health services. Behavioral health organization contracts shall authorize behavioral health organizations to allow and encourage licensed or certified community mental health centers to subcontract with individual licensed mental health professionals when necessary to meet the need for)~~) to encourage licensed or certified community behavioral health agencies to subcontract with an adequate, culturally competent, and qualified children's mental health provider network.

(2) To the extent that funds are specifically appropriated for this purpose or that nonstate funds are available, a children's mental health evidence-based practice institute shall be established at the University of Washington division of public behavioral health and justice policy. The institute shall closely collaborate with entities currently engaged in evaluating and promoting the use of evidence-based, research-based, promising, or consensus-based practices in children's mental health treatment, including but not limited to the University of Washington department of psychiatry and behavioral sciences, Seattle children's hospital, the University of Washington school of nursing, the University of Washington school of social work, and the Washington state institute for public policy. To ensure that funds appropriated are used to the greatest extent possible for their intended purpose, the University of Washington's indirect costs of administration shall not exceed ten percent of appropriated funding. The institute shall:

(a) Improve the implementation of evidence-based and research-based practices by providing sustained and effective training and consultation to licensed children's mental health providers and child-serving agencies who are implementing evidence-based or researched-based practices for treatment of children's emotional or behavioral disorders, or who are interested in adapting

these practices to better serve ethnically or culturally diverse children. Efforts under this subsection should include a focus on appropriate oversight of implementation of evidence-based practices to ensure fidelity to these practices and thereby achieve positive outcomes;

(b) Continue the successful implementation of the "partnerships for success" model by consulting with communities so they may select, implement, and continually evaluate the success of evidence-based practices that are relevant to the needs of children, youth, and families in their community;

(c) Partner with youth, family members, family advocacy, and culturally competent provider organizations to develop a series of information sessions, literature, and online resources for families to become informed and engaged in evidence-based and research-based practices;

(d) Participate in the identification of outcome-based performance measures under RCW 71.36.025(2) and partner in a statewide effort to implement statewide outcomes monitoring and quality improvement processes; and

(e) Serve as a statewide resource to the authority and other entities on child and adolescent evidence-based, research-based, promising, or consensus-based practices for children's mental health treatment, maintaining a working knowledge through ongoing review of academic and professional literature, and knowledge of other evidence-based practice implementation efforts in Washington and other states.

(3)(a) To the extent that funds are specifically appropriated for this purpose, the ~~((health care))~~ authority in collaboration with the University of Washington department of psychiatry and behavioral sciences and Seattle children's hospital shall:

~~((+))~~ (i) Implement a program to support primary care providers in the assessment and provision of appropriate diagnosis and treatment of children with mental and behavioral health disorders and track outcomes of this program;

~~((+))~~ (ii) Beginning January 1, 2019, implement a two-year pilot program called the partnership access line for moms and kids to:

~~((+))~~ (A) Support obstetricians, pediatricians, primary care providers, mental health professionals, and other health care professionals providing care to pregnant women and new mothers through same-day telephone consultations in the assessment and provision of appropriate diagnosis and treatment of depression in pregnant women and new mothers; and

~~((+))~~ (B) Facilitate referrals to children's mental health services and other resources for parents and guardians with concerns related to the mental health of the parent or guardian's child. Facilitation activities include assessing the level of services needed by the child; within seven days of receiving a call from a parent or guardian, identifying mental health professionals who are in-network with the child's health care coverage who are accepting new patients and taking appointments; coordinating contact between the parent or guardian and the mental health professional; and providing postreferral reviews to determine if the child has outstanding needs. In conducting its referral activities, the program shall collaborate with existing databases and resources to identify in-network mental health professionals.

~~((+))~~ (b) The program activities described in (a)(i) and ~~((+))~~ (a)(ii)(A) of this subsection shall be designed to promote more accurate diagnoses and treatment through timely case consultation between primary care providers and

child psychiatric specialists, and focused educational learning collaboratives with primary care providers.

(4) The ~~((health care))~~ authority, in collaboration with the University of Washington department of psychiatry and behavioral sciences and Seattle children's hospital, shall report on the following:

(a) The number of individuals who have accessed the resources described in subsection (3) of this section;

(b) The number of providers, by type, who have accessed the resources described in subsection (3) of this section;

(c) Demographic information, as available, for the individuals described in (a) of this subsection. Demographic information may not include any personally identifiable information and must be limited to the individual's age, gender, and city and county of residence;

(d) A description of resources provided;

(e) Average time frames from receipt of call to referral for services or resources provided; and

(f) Systemic barriers to services, as determined and defined by the health care authority, the University of Washington department of psychiatry and behavioral sciences, and Seattle children's hospital.

(5) Beginning December 30, 2019, and annually thereafter, the ~~((health care))~~ authority must submit, in compliance with RCW 43.01.036, a report to the governor and appropriate committees of the legislature with findings and recommendations for improving services and service delivery from subsection (4) of this section.

(6) The ~~((health care))~~ authority shall enforce requirements in managed care contracts to ensure care coordination and network adequacy issues are addressed in order to remove barriers to access to mental health services identified in the report described in subsection (4) of this section.

Sec. 1010. RCW 71.24.100 and 2018 c 201 s 4008 are each amended to read as follows:

(1) A county authority or a group of county authorities may enter into a joint operating agreement to ~~((respond to a request for a detailed plan and))~~ submit a request to contract with the ~~((state))~~ authority to operate a behavioral health administrative services organization whose boundaries are consistent with the regional service areas established under RCW 74.09.870. ~~((Any agreement between two or more county authorities shall provide:~~

(1) That each county shall bear a share of the cost of mental health services; and

(2) That the treasurer of one participating county shall be the custodian of funds made available for the purposes of such mental health services, and that the treasurer may make payments from such funds upon audit by the appropriate auditing officer of the county for which he or she is treasurer.))

(2) All counties within the regional service area must mutually agree to enter into a contract with the authority to become a behavioral health administrative services organization and appoint a single fiscal agent for the regional service area. Similarly, in order to terminate such contract, all counties that are contracted with the authority as a behavioral health administrative services organization must mutually agree to terminate the contract with the authority.

(3) Once the authority receives a request from a county or a group of counties within a regional service area to be the designated behavioral health administrative services organization, the authority must promptly collaborate with the county or group of counties within that regional service area to determine the most feasible implementation date and coordinate readiness reviews.

(4) No behavioral health administrative services organization may contract with itself as a behavioral health agency, or contract with a behavioral health agency that has administrative linkages to the behavioral health administrative services organization in any manner that would give the agency a competitive advantage in obtaining or competing for contracts, except that a county or group of counties may provide designated crisis responder services, initial crisis services, criminal diversion services, hospital reentry services, and criminal reentry services. The county-administered service must have a clear separation of powers and duties separate from a county-run behavioral health administrative services organization and suitable accounting procedures must be followed to ensure the funding is traceable and accounted for separately from other funds.

(5) Nothing in this section limits the authority's ability to take remedial actions up to and including termination of a contract in order to enforce contract terms or to remedy nonperformance of contractual duties.

Sec. 1011. RCW 71.24.155 and 2018 c 201 s 4009 are each amended to read as follows:

Grants shall be made by the authority to behavioral health administrative services organizations and managed care organizations for community ~~((mental))~~ behavioral health programs totaling not less than ninety-five percent of available resources. The authority may use up to forty percent of the remaining five percent to provide community demonstration projects, including early intervention or primary prevention programs for children, and the remainder shall be for emergency needs and technical assistance under this chapter.

Sec. 1012. RCW 71.24.160 and 2018 c 201 s 4010 are each amended to read as follows:

The behavioral health administrative services organizations shall make satisfactory showing to the director that state funds shall in no case be used to replace local funds from any source being used to finance mental health services prior to January 1, 1990. Maintenance of effort funds devoted to judicial services related to involuntary commitment reimbursed under RCW 71.05.730 must be expended for other purposes that further treatment for mental health and ~~((chemical dependency))~~ substance use disorders.

Sec. 1013. RCW 71.24.215 and 2018 c 201 s 4011 are each amended to read as follows:

Clients receiving ~~((mental))~~ behavioral health services funded by available resources shall be charged a fee under sliding-scale fee schedules, based on ability to pay, approved by the authority ~~((or the department of social and health services, as appropriate))~~. Fees shall not exceed the actual cost of care.

Sec. 1014. RCW 71.24.220 and 2018 c 201 s 4012 are each amended to read as follows:

The director may withhold state grants in whole or in part for any community ((mental)) behavioral health program in the event of a failure to comply with this chapter or the related rules adopted by the authority.

Sec. 1015. RCW 71.24.240 and 2018 c 201 s 4013 are each amended to read as follows:

In order to establish eligibility for funding under this chapter, any behavioral health administrative services organization seeking to obtain federal funds for the support of any aspect of a community ((mental)) behavioral health program as defined in this chapter shall submit program plans to the director for prior review and approval before such plans are submitted to any federal agency.

Sec. 1016. RCW 71.24.250 and 2014 c 225 s 38 are each amended to read as follows:

The behavioral health administrative services organization may accept and expend gifts and grants received from private, county, state, and federal sources.

Sec. 1017. RCW 71.24.260 and 1986 c 274 s 10 are each amended to read as follows:

The department shall waive postgraduate educational requirements applicable to mental health professionals under this chapter for those persons who have a bachelor's degree and on June 11, 1986:

(1) Are employed by an agency subject to licensure under this chapter, the community ((mental)) behavioral health services act, in a capacity involving the treatment of mental illness; and

(2) Have at least ten years of full-time experience in the treatment of mental illness.

Sec. 1018. RCW 71.24.300 and 2018 c 201 s 4014 are each amended to read as follows:

~~(1) ((Upon the request of a tribal authority or authorities within a behavioral health organization the joint operating agreement or the county authority shall allow for the inclusion of the tribal authority to be represented as a party to the behavioral health organization.~~

~~(2) The roles and responsibilities of the county and tribal authorities shall be determined by the terms of that agreement including a determination of membership on the governing board and advisory committees, the number of tribal representatives to be party to the agreement, and the provisions of law and shall assure the provision of culturally competent services to the tribes served.~~

~~(3) The state behavioral health authority may not determine the roles and responsibilities of county authorities as to each other under behavioral health organizations by rule, except to assure that all duties required of behavioral health organizations are assigned and that counties and the behavioral health organization do not duplicate functions and that a single authority has final responsibility for all available resources and performance under the behavioral health organization's contract with the director.~~

~~(4) If a behavioral health organization is a private entity, the authority shall allow for the inclusion of the tribal authority to be represented as a party to the behavioral health organization.~~

~~(5) The roles and responsibilities of the private entity and the tribal authorities shall be determined by the authority, through negotiation with the tribal authority.~~

~~(6) Behavioral health organizations shall submit an overall six-year operating and capital plan, timeline, and budget and submit progress reports and an updated two-year plan biennially thereafter, to assume within available resources all of the following duties:~~

~~(a) Administer and provide for the availability of all resource management services, residential services, and community support services.~~

~~(b) Administer and provide for the availability of an adequate network of evaluation and treatment services to ensure access to treatment, all investigation, transportation, court-related, and other services provided by the state or counties pursuant to chapter 71.05 RCW.~~

~~(c) Provide within the boundaries of each behavioral health organization evaluation and treatment services for at least ninety percent of persons detained or committed for periods up to seventeen days according to chapter 71.05 RCW. Behavioral health organizations may contract to purchase evaluation and treatment services from other organizations if they are unable to provide for appropriate resources within their boundaries. Insofar as the original intent of serving persons in the community is maintained, the director is authorized to approve exceptions on a case-by-case basis to the requirement to provide evaluation and treatment services within the boundaries of each behavioral health organization. Such exceptions are limited to:~~

~~(i) Contracts with neighboring or contiguous regions; or~~

~~(ii) Individuals detained or committed for periods up to seventeen days at the state hospitals at the discretion of the director.~~

~~(d) Administer and provide for the availability of all other mental health services, which shall include patient counseling, day treatment, consultation, education services, employment services as described in RCW 71.24.035, and mental health services to children.~~

~~(e) Establish standards and procedures for reviewing individual service plans and determining when that person may be discharged from resource management services.~~

~~(7) A behavioral health organization may request that any state-owned land, building, facility, or other capital asset which was ever purchased, deeded, given, or placed in trust for the care of the persons with mental illness and which is within the boundaries of a behavioral health organization be made available to support the operations of the behavioral health organization. State agencies managing such capital assets shall give first priority to requests for their use pursuant to this chapter.~~

~~(8)) Each behavioral health administrative services organization shall appoint a behavioral health advisory board which shall review and provide comments on plans and policies developed under this chapter, provide local oversight regarding the activities of the behavioral health administrative services organization, and work with the behavioral health administrative services organization to resolve significant concerns regarding service delivery and outcomes. The authority shall establish statewide procedures for the operation of regional advisory committees including mechanisms for advisory board feedback to the authority regarding behavioral health administrative services organization performance. The composition of the board shall be broadly representative of the demographic character of the region and shall include, but not be limited to, representatives of consumers of substance use disorder and~~

mental health services and their families, law enforcement, and, where the county is not the behavioral health administrative services organization, county elected officials. Composition and length of terms of board members may differ between behavioral health administrative services organizations but shall be included in each behavioral health administrative services organization's contract and approved by the director.

~~((9) Behavioral health organizations shall assume all duties specified in their plans and joint operating agreements through biennial contractual agreements with the director.~~

~~((10) Behavioral health organizations may receive technical assistance from the housing trust fund and may identify and submit projects for housing and housing support services to the housing trust fund established under chapter 43.185 RCW. Projects identified or submitted under this subsection must be fully integrated with the behavioral health organization six year operating and capital plan, timeline, and budget required by subsection (6) of this section.))~~ (2) The authority must allow for the inclusion of tribes in any interlocal leadership structure or committees formed under RCW 71.24.880, when requested by a tribe.

(3) If an interlocal leadership structure is not formed under RCW 71.24.880, the roles and responsibilities of the behavioral health administrative services organizations, managed care organizations, counties, and each tribe shall be determined by the authority through negotiation with the tribes.

Sec. 1019. RCW 71.24.335 and 2017 c 202 s 7 are each amended to read as follows:

(1) Upon initiation or renewal of a contract with the ~~((department))~~ authority, ((a)) behavioral health administrative services organizations and managed care organizations shall reimburse a provider for a behavioral health service provided to a covered person who is under eighteen years old through telemedicine or store and forward technology if:

(a) The behavioral health administrative services organization or managed care organization in which the covered person is enrolled provides coverage of the behavioral health service when provided in person by the provider; and

(b) The behavioral health service is medically necessary.

(2)(a) If the service is provided through store and forward technology there must be an associated visit between the covered person and the referring provider. Nothing in this section prohibits the use of telemedicine for the associated office visit.

(b) For purposes of this section, reimbursement of store and forward technology is available only for those services specified in the negotiated agreement between the behavioral health administrative services organization, or managed care organization, and the provider.

(3) An originating site for a telemedicine behavioral health service subject to subsection (1) of this section means an originating site as defined in rule by the department or the health care authority.

(4) Any originating site, other than a home, under subsection (3) of this section may charge a facility fee for infrastructure and preparation of the patient. Reimbursement must be subject to a negotiated agreement between the originating site and the behavioral health administrative services organization, or

managed care organization, as applicable. A distant site or any other site not identified in subsection (3) of this section may not charge a facility fee.

(5) ~~((A))~~ Behavioral health administrative services organizations and managed care organizations may not distinguish between originating sites that are rural and urban in providing the coverage required in subsection (1) of this section.

(6) ~~((A))~~ Behavioral health administrative services organizations and managed care organizations may subject coverage of a telemedicine or store and forward technology behavioral health service under subsection (1) of this section to all terms and conditions of the behavioral health administrative services organization or managed care organization in which the covered person is enrolled, including, but not limited to, utilization review, prior authorization, deductible, copayment, or coinsurance requirements that are applicable to coverage of a comparable behavioral health care service provided in person.

(7) This section does not require a behavioral health administrative services organization or a managed care organization to reimburse:

(a) An originating site for professional fees;

(b) A provider for a behavioral health service that is not a covered benefit ~~((under the behavioral health organization));~~ or

(c) An originating site or provider when the site or provider is not a contracted provider ~~((with the behavioral health organization)).~~

(8) For purposes of this section:

(a) "Distant site" means the site at which a physician or other licensed provider, delivering a professional service, is physically located at the time the service is provided through telemedicine;

(b) "Hospital" means a facility licensed under chapter 70.41, 71.12, or 72.23 RCW;

(c) "Originating site" means the physical location of a patient receiving behavioral health services through telemedicine;

(d) "Provider" has the same meaning as in RCW 48.43.005;

(e) "Store and forward technology" means use of an asynchronous transmission of a covered person's medical or behavioral health information from an originating site to the provider at a distant site which results in medical or behavioral health diagnosis and management of the covered person, and does not include the use of audio-only telephone, facsimile, or email; and

(f) "Telemedicine" means the delivery of health care or behavioral health services through the use of interactive audio and video technology, permitting real-time communication between the patient at the originating site and the provider, for the purpose of diagnosis, consultation, or treatment. For purposes of this section only, "telemedicine" does not include the use of audio-only telephone, facsimile, or email.

(9) The ~~((department must, in consultation with the health care))~~ authority ~~((;))~~ must adopt rules as necessary to implement the provisions of this section.

Sec. 1020. RCW 71.24.350 and 2018 c 201 s 4019 are each amended to read as follows:

The authority shall require each behavioral health administrative services organization to provide for a separately funded behavioral health ombuds office ~~((in each behavioral health organization))~~ that is independent of the behavioral

health administrative services organization and managed care organizations for the assigned regional service area. The ombuds office shall maximize the use of consumer advocates.

Sec. 1021. RCW 71.24.370 and 2018 c 201 s 4021 are each amended to read as follows:

(1) Except for monetary damage claims which have been reduced to final judgment by a superior court, this section applies to all claims against the state, state agencies, state officials, or state employees that exist on or arise after March 29, 2006.

(2) Except as expressly provided in contracts entered into ~~((between))~~ by the authority ~~((and the behavioral health organizations after March 29, 2006))~~, the entities identified in subsection (3) of this section shall have no claim for declaratory relief, injunctive relief, judicial review under chapter 34.05 RCW, or civil liability against the state ~~((or))~~, state agencies, state officials, or state employees for actions or inactions performed pursuant to the administration of this chapter with regard to the following: (a) The allocation or payment of federal or state funds; (b) the use or allocation of state hospital beds; or (c) financial responsibility for the provision of inpatient mental health care.

(3) This section applies to counties, behavioral health administrative services organizations, managed care organizations, and entities which contract to provide behavioral health ~~((organization))~~ services and their subcontractors, agents, or employees.

Sec. 1022. RCW 71.24.380 and 2018 c 201 s 4022 are each amended to read as follows:

(1) The director shall purchase ~~((mental health and chemical dependency treatment))~~ behavioral health services primarily through managed care contracting, but may continue to purchase behavioral health services directly from ~~((tribal clinics and other tribal providers))~~ providers serving medicaid clients who are not enrolled in a managed care organization.

~~((a))~~ ~~((b))~~ ~~((a))~~ The director shall request a detailed plan from the entities identified in ~~((b))~~ of this subsection that demonstrates compliance with the contractual elements of RCW 74.09.871 and federal regulations related to medicaid managed care contracting including, but not limited to: Having a sufficient network of providers to provide adequate access to mental health and chemical dependency services for residents of the regional service area that meet eligibility criteria for services, ability to maintain and manage adequate reserves, and maintenance of quality assurance processes. Any responding entity that submits a detailed plan that demonstrates that it can meet the requirements of this section must be awarded the contract to serve as the behavioral health organization.

~~((i))~~ For purposes of responding to the request for a detailed plan under (a) of this subsection, the entities from which a plan will be requested are:

(A) A county in a single county regional service area that currently serves as the regional support network for that area;

(B) In the event that a county has made a decision prior to January 1, 2014, not to contract as a regional support network, any private entity that serves as the regional support network for that area;

~~(C) All counties within a regional service area that includes more than one county, which shall form a responding entity through the adoption of an interlocal agreement. The interlocal agreement must specify the terms by which the responding entity shall serve as the behavioral health organization within the regional service area.~~

~~(ii) In the event that a regional service area is comprised of multiple counties including one that has made a decision prior to January 1, 2014, not to contract as a regional support network the counties shall adopt an interlocal agreement and may respond to the request for a detailed plan under (a) of this subsection and the private entity may also respond to the request for a detailed plan. If both responding entities meet the requirements of this section, the responding entities shall follow the authority's procurement process established in subsection (3) of this section.~~

~~(3) If an entity that has received a request under this section to submit a detailed plan does not respond to the request, a responding entity under subsection (1) of this section is unable to substantially meet the requirements of the request for a detailed plan, or more than one responding entity substantially meets the requirements for the request for a detailed plan, the authority shall use a procurement process in which other entities recognized by the director may bid to serve as the behavioral health organization in that regional service area.~~

~~(4) Contracts for behavioral health organizations must begin on April 1, 2016.~~

~~(5) Upon request of all of the county authorities in a regional service area, the authority may purchase behavioral health services through an integrated medical and behavioral health services contract with a behavioral health organization or a managed health care system as defined in RCW 74.09.522, pursuant to standards to be developed by the authority. Any contract for such a purchase must comply with all federal medicaid and state law requirements related to managed health care contracting.)) The director shall require that contracted managed care organizations have a sufficient network of providers to provide adequate access to behavioral health services for residents of the regional service area that meet eligibility criteria for services, and for maintenance of quality assurance processes. Contracts with managed care organizations must comply with all federal medicaid and state law requirements related to managed health care contracting, including RCW 74.09.522.~~

~~(3) A managed care organization must contract with the authority's selected behavioral health administrative services organization for the assigned regional service area for the administration of crisis services. The contract shall require the managed care organization to reimburse the behavioral health administrative services organization for behavioral health crisis services delivered to individuals enrolled in the managed care organization.~~

~~(4) A managed care organization must collaborate with the authority and its contracted behavioral health administrative services organization to develop and implement strategies to coordinate care with tribes and community behavioral health providers for individuals with a history of frequent crisis system utilization.~~

~~(5) A managed care organization must work closely with designated crisis responders, behavioral health administrative services organizations, and behavioral health providers to maximize appropriate placement of persons into~~

community services, ensuring the client receives the least restrictive level of care appropriate for their condition. Additionally, the managed care organization shall work with the authority to expedite the enrollment or reenrollment of eligible persons leaving state or local correctional facilities and institutions for mental diseases.

(6) As an incentive to county authorities to become early adopters of fully integrated purchasing of medical and behavioral health services, the standards adopted by the authority (~~(under subsection (5) of this section)~~) shall provide for an incentive payment to counties which elect to move to full integration by January 1, 2016. Subject to federal approval, the incentive payment shall be targeted at ten percent of savings realized by the state within the regional service area in which the fully integrated purchasing takes place. Savings shall be calculated in alignment with the outcome and performance measures established in RCW 43.20A.895 (as recodified by this act), 70.320.020, and 71.36.025, and incentive payments for early adopter counties shall be made available for up to a six-year period, or until full integration of medical and behavioral health services is accomplished statewide, whichever comes sooner, according to rules to be developed by the authority.

Sec. 1023. RCW 71.24.385 and 2018 c 201 s 4023 and 2018 c 175 s 6 are each reenacted and amended to read as follows:

(1) Within funds appropriated by the legislature for this purpose, behavioral health administrative services organizations and managed care organizations, as applicable, shall develop the means to serve the needs of people:

(a) With mental disorders residing within the boundaries of their regional service area. Elements of the program may include:

- (i) Crisis diversion services;
- (ii) Evaluation and treatment and community hospital beds;
- (iii) Residential treatment;
- (iv) Programs for intensive community treatment;
- (v) Outpatient services, including family support;
- (vi) Peer support services;
- (vii) Community support services;
- (viii) Resource management services; and
- (ix) Supported housing and supported employment services.

(b) With substance use disorders and their families, people incapacitated by alcohol or other psychoactive chemicals, and intoxicated people.

(i) Elements of the program shall include, but not necessarily be limited to, a continuum of substance use disorder treatment services that includes:

- (A) Withdrawal management;
- (B) Residential treatment; and
- (C) Outpatient treatment.

(ii) The program may include peer support, supported housing, supported employment, crisis diversion, or recovery support services.

(iii) The authority may contract for the use of an approved substance use disorder treatment program or other individual or organization if the director considers this to be an effective and economical course to follow.

(2)(a) The (~~behavioral health~~) managed care organization and the behavioral health administrative services organization shall have the flexibility, within the funds appropriated by the legislature for this purpose and the terms of

their contract, to design the mix of services that will be most effective within their service area of meeting the needs of people with behavioral health disorders and avoiding placement of such individuals at the state mental hospital. ~~((Behavioral health))~~ Managed care organizations and behavioral health administrative services organizations are encouraged to maximize the use of evidence-based practices and alternative resources with the goal of substantially reducing and potentially eliminating the use of institutions for mental diseases.

(b) ~~((The behavioral health))~~ Managed care organizations and behavioral health administrative services organizations may allow reimbursement to providers for services delivered through a partial hospitalization or intensive outpatient program. Such payment and services are distinct from the state's delivery of wraparound with intensive services under the *T.R. v. Strange and (McDermott, formerly the T.R. v. Dreyfus and Porter,)* Birch settlement agreement.

(3)(a) Treatment provided under this chapter must be purchased primarily through managed care contracts.

(b) Consistent with RCW 71.24.580, services and funding provided through the criminal justice treatment account are intended to be exempted from managed care contracting.

Sec. 1024. RCW 71.24.405 and 2018 c 201 s 4025 are each amended to read as follows:

The authority shall ~~((establish a))~~ work comprehensively and collaboratively ~~((effort within))~~ with behavioral health administrative services organizations and with local ~~((mental))~~ behavioral health service providers ~~((aimed at creating))~~ to create innovative and streamlined community ~~((mental))~~ behavioral health service delivery systems ~~((, in order to carry out the purposes set forth in RCW 71.24.400))~~ and to capture the diversity of the community ~~((mental))~~ behavioral health service delivery system. The authority ~~((must accomplish the following))~~ shall periodically:

(1) ~~((Identification))~~ Identify, review, and ~~((cataloging of))~~ catalog all rules, regulations, duplicative administrative and monitoring functions, and other requirements that ~~((currently))~~ lead to inefficiencies in the community ~~((mental))~~ behavioral health service delivery system and, if possible, eliminate the requirements;

(2) ~~((The systematic and incremental development of a single system of accountability for all federal, state, and local funds provided to the community mental health service delivery system. Systematic efforts should be made to include federal and local funds into the single system of accountability;~~

~~((3) The elimination of process))~~ Review regulations ~~((and related)),~~ contracts, and reporting requirements ~~((, in place of the regulations and requirements, a set))~~ to ensure achievement of outcomes for ~~((mental))~~ behavioral health adult and children clients ~~((according to this chapter must be used to measure the performance of mental health service providers and behavioral health organizations. Such outcomes shall focus on stabilizing out-of-home and hospital care, increasing stable community living, increasing age-appropriate activities, achieving family and consumer satisfaction with services, and system efficiencies))~~ under RCW 43.20A.895 (as recodified by this act);

~~((4) Evaluation of the feasibility of contractual agreements between the authority and behavioral health organizations and mental health service~~

~~providers that link financial incentives to the success or failure of mental health service providers and behavioral health organizations to meet outcomes established for mental health service clients;~~

~~(5) The involvement of mental)) (3) Involve behavioral health consumers and their representatives((Mental health consumers and their representatives will be involved in the development of outcome standards for mental health clients under section 5 of this act; and~~

~~(6) An independent evaluation component to measure the success of the authority in fully implementing the provisions of RCW 71.24.400 and this section)); and~~

(4) Provide for an independent evaluation component to measure the success of the authority in fully implementing the provisions of RCW 71.24.400 and this section.

Sec. 1025. RCW 71.24.420 and 2018 c 201 s 4027 are each amended to read as follows:

The authority shall operate the community ~~((mental))~~ behavioral health service delivery system authorized under this chapter within the following constraints:

(1) The full amount of federal funds for ~~((mental))~~ community behavioral health system services, plus qualifying state expenditures as appropriated in the biennial operating budget, shall be appropriated to the authority each year in the biennial appropriations act to carry out the provisions of the community ~~((mental))~~ behavioral health service delivery system authorized in this chapter.

(2) The authority may expend funds defined in subsection (1) of this section in any manner that will effectively accomplish the outcome measures established in RCW 43.20A.895 (as recodified by this act) and 71.36.025 and performance measures linked to those outcomes.

(3) The authority shall implement strategies that accomplish the outcome measures established in RCW 43.20A.895 (as recodified by this act), 70.320.020, and 71.36.025 and performance measures linked to those outcomes.

(4) The authority shall monitor expenditures against the appropriation levels provided for in subsection (1) of this section and report to the governor's office and the appropriate committees of the legislature once every two years, on or about December 1st, on each even-numbered year.

Sec. 1026. RCW 71.24.430 and 2018 c 201 s 4028 are each amended to read as follows:

(1) The authority shall ensure the coordination of allied services for ~~((mental))~~ behavioral health clients. The authority shall implement strategies for resolving organizational, regulatory, and funding issues at all levels of the system, including the state, the behavioral health administrative services organizations, managed care organizations, and local service providers.

(2) The authority shall propose, in operating budget requests, transfers of funding among programs to support collaborative service delivery to persons who require services from multiple department of social and health services and authority programs. ~~((The authority shall report annually to the appropriate committees of the senate and house of representatives on actions and projects it has taken to promote collaborative service delivery))~~ The authority shall provide status reports as requested by the legislature.

Sec. 1027. RCW 71.24.450 and 1997 c 342 s 1 are each amended to read as follows:

(1) Many (~~(acute and chronically mentally ill)~~) offenders with acute and chronic mental illness are delayed in their release from Washington correctional facilities due to their inability to access reasonable treatment and living accommodations prior to the maximum expiration of their sentences. Often the offender reaches the end of his or her sentence and is released without any follow-up care, funds, or housing. These delays are costly to the state, often lead to psychiatric relapse, and result in unnecessary risk to the public.

Many of these offenders (~~(rarely possess)~~) lack the skills or emotional stability to maintain employment or even complete applications to receive entitlement funding. (~~(Nationwide only five percent of diagnosed schizophrenics are able to maintain part-time or full-time employment.)~~) Housing and appropriate treatment are difficult to obtain.

This lack of resources, funding, treatment, and housing creates additional stress for the (~~(mentally ill)~~) offender with mental illness, impairing self-control and judgment. When the mental illness is instrumental in the offender's patterns of crime, such stresses may lead to a worsening of his or her illness, reoffending, and a threat to public safety.

(2) It is the intent of the legislature to create a (~~(pilot)~~) program to provide for postrelease mental health care and housing for a select group of (~~(mentally ill)~~) offenders with mental illness entering community living, in order to reduce incarceration costs, increase public safety, and enhance the offender's quality of life.

Sec. 1028. RCW 71.24.455 and 2018 c 201 s 4029 are each amended to read as follows:

(1) The director shall select and contract with a behavioral health administrative services organization, managed care organization, behavioral health agency, or private provider to provide specialized access and services to offenders with mental illness upon release from total confinement within the department of corrections who have been identified by the department of corrections and selected by the behavioral health administrative services organization, managed care organization, behavioral health agency, or private provider as high-priority clients for services and who meet service program entrance criteria. The program shall enroll no more than twenty-five offenders at any one time, or a number of offenders that can be accommodated within the appropriated funding level, and shall seek to fill any vacancies that occur.

(2) Criteria shall include a determination by department of corrections staff that:

(a) The offender suffers from a major mental illness and needs continued mental health treatment;

(b) The offender's previous crime or crimes have been determined by either the court or department of corrections staff to have been substantially influenced by the offender's mental illness;

(c) It is believed the offender will be less likely to commit further criminal acts if provided ongoing mental health care;

(d) The offender is unable or unlikely to obtain housing and/or treatment from other sources for any reason; and

(e) The offender has at least one year remaining before his or her sentence expires but is within six months of release to community housing and is currently housed within a work release facility or any department of corrections' division of prisons facility.

(3) The behavioral health administrative services organization, managed care organization, behavioral health agency, or private provider shall provide specialized access and services to the selected offenders. The services shall be aimed at lowering the risk of recidivism. An oversight committee composed of a representative of the authority, a representative of the selected managed care organization, behavioral health administrative services organization, or private provider, and a representative of the department of corrections shall develop policies to guide the pilot program, provide dispute resolution including making determinations as to when entrance criteria or required services may be waived in individual cases, advise the department of corrections and the managed care organization, behavioral health administrative services organization, or private provider on the selection of eligible offenders, and set minimum requirements for service contracts. The selected managed care organization, behavioral health administrative services organization, or private provider shall implement the policies and service contracts. The following services shall be provided:

(a) Intensive case management to include a full range of intensive community support and treatment in client-to-staff ratios of not more than ten offenders per case manager including: (i) A minimum of weekly group and weekly individual counseling; (ii) home visits by the program manager at least two times per month; and (iii) counseling focusing on maintaining and promoting ongoing stability, relapse prevention, and ~~((past, current, or future behavior of the offender))~~ recovery.

(b) The case manager shall attempt to locate and procure housing appropriate to the living and clinical needs of the offender and as needed to maintain the psychiatric stability of the offender. The entire range of emergency, transitional, and permanent housing and involuntary hospitalization must be considered as available housing options. A housing subsidy may be provided to offenders to defray housing costs up to a maximum of six thousand six hundred dollars per offender per year and be administered by the case manager. Additional funding sources may be used to offset these costs when available.

(c) The case manager shall collaborate with the assigned prison, work release, or community corrections staff during release planning, prior to discharge, and in ongoing supervision of the offender while under the authority of the department of corrections.

(d) Medications including the full range of psychotropic medications including atypical antipsychotic medications may be required as a condition of the program. Medication prescription, medication monitoring, and counseling to support offender understanding, acceptance, and compliance with prescribed medication regimens must be included.

(e) A systematic effort to engage offenders to continuously involve themselves in current and long-term treatment and appropriate rehabilitative activities shall be made.

(f) Classes appropriate to the clinical and living needs of the offender and appropriate to his or her level of understanding.

(g) The case manager shall assist the offender in the application and qualification for entitlement funding, including medicaid, state assistance, and other available government and private assistance at any point that the offender is qualified and resources are available.

(h) The offender shall be provided access to daily activities such as drop-in centers, prevocational and vocational training and jobs, and volunteer activities.

(4) Once an offender has been selected into the pilot program, the offender shall remain in the program until the end of his or her sentence or unless the offender is released from the pilot program earlier by the department of corrections.

(5) Specialized training in the management and supervision of high-crime risk offenders with mental illness shall be provided to all participating mental health providers by the authority and the department of corrections prior to their participation in the program and as requested thereafter.

~~((6) The pilot program provided for in this section must be providing services by July 1, 1998.))~~

Sec. 1029. RCW 71.24.460 and 2018 c 201 s 4030 are each amended to read as follows:

The authority, in collaboration with the department of corrections and the oversight committee created in RCW 71.24.455, shall track outcomes and submit to the legislature annual reports regarding services and outcomes. The reports shall include the following: (1) A statistical analysis regarding the reoffense and reinstitutionalization rate by the enrollees in the program set forth in RCW 71.24.455; (2) a quantitative description of the services provided in the program set forth in RCW 71.24.455; and (3) recommendations for any needed modifications in the services and funding levels to increase the effectiveness of the program set forth in RCW 71.24.455. ~~((By December 1, 2003, the department shall certify the reoffense rate for enrollees in the program authorized by RCW 71.24.455 to the office of financial management and the appropriate legislative committees. If the reoffense rate exceeds fifteen percent, the authorization for the department to conduct the program under RCW 71.24.455 is terminated on January 1, 2004.))~~

Sec. 1030. RCW 71.24.470 and 2018 c 201 s 4031 are each amended to read as follows:

(1) The director shall contract, to the extent that funds are appropriated for this purpose, for case management services and such other services as the director deems necessary to assist offenders identified under RCW 72.09.370 for participation in the offender reentry community safety program. The contracts may be with ~~((behavioral health organizations or))~~ any ~~((other))~~ qualified and appropriate entities.

(2) The case manager has the authority to assist these offenders in obtaining the services, as set forth in the plan created under RCW 72.09.370(2), for up to five years. The services may include coordination of mental health services, assistance with unfunded medical expenses, obtaining ~~((chemical dependency))~~ substance use disorder treatment, housing, employment services, educational or vocational training, independent living skills, parenting education, anger management services, and such other services as the case manager deems necessary.

(3) The legislature intends that funds appropriated for the purposes of RCW 72.09.370, 71.05.145, and 71.05.212, and this section (~~and distributed to the behavioral health organizations~~) are to supplement and not to supplant general funding. Funds appropriated to implement RCW 72.09.370, 71.05.145, and 71.05.212, and this section are not to be considered available resources as defined in RCW 71.24.025 and are not subject to the priorities, terms, or conditions in the appropriations act established pursuant to RCW 71.24.035.

(4) The offender reentry community safety program was formerly known as the community integration assistance program.

Sec. 1031. RCW 71.24.480 and 2018 c 201 s 4032 are each amended to read as follows:

(1) A licensed or certified (~~service provider or behavioral health organization~~) behavioral health agency acting in the course of the provider's (~~or organization's~~) duties under this chapter, is not liable for civil damages resulting from the injury or death of another caused by a participant in the offender reentry community safety program who is a client of the provider or organization, unless the act or omission of the provider or organization constitutes:

(a) Gross negligence;

(b) Willful or wanton misconduct; or

(c) A breach of the duty to warn of and protect from a client's threatened violent behavior if the client has communicated a serious threat of physical violence against a reasonably ascertainable victim or victims.

(2) In addition to any other requirements to report violations, the licensed or certified (~~service provider and behavioral health organization~~) behavioral health agency shall report an offender's expressions of intent to harm or other predatory behavior, regardless of whether there is an ascertainable victim, in progress reports and other established processes that enable courts and supervising entities to assess and address the progress and appropriateness of treatment.

(3) A licensed or certified (~~service provider's or behavioral health organization's~~) behavioral health agency's mere act of treating a participant in the offender reentry community safety program is not negligence. Nothing in this subsection alters the licensed or certified (~~service provider's or behavioral health organization's~~) behavioral health agency's normal duty of care with regard to the client.

(4) The limited liability provided by this section applies only to the conduct of licensed or certified (~~service providers and behavioral health organizations~~) behavioral health agencies and does not apply to conduct of the state.

(5) For purposes of this section, "participant in the offender reentry community safety program" means a person who has been identified under RCW 72.09.370 as an offender who: (a) Is reasonably believed to be dangerous to himself or herself or others; and (b) has a mental disorder.

Sec. 1032. RCW 71.24.490 and 2018 c 201 s 4033 are each amended to read as follows:

The authority must collaborate with (~~regional support networks or~~) behavioral health administrative services organizations, managed care organizations, and the Washington state institute for public policy to estimate the

capacity needs for evaluation and treatment services within each regional service area. Estimated capacity needs shall include consideration of the average occupancy rates needed to provide an adequate network of evaluation and treatment services to ensure access to treatment. ~~((A regional service network or))~~ Behavioral health administrative services organizations and managed care organizations must develop and maintain an adequate plan to provide for evaluation and treatment needs.

Sec. 1033. RCW 71.24.500 and 2018 c 201 s 4034 are each amended to read as follows:

The ~~((department of social and health services and the))~~ authority shall periodically publish written guidance and provide trainings to behavioral health administrative services organizations, managed care organizations, and behavioral health providers related to how these organizations may provide outreach, assistance, transition planning, and rehabilitation case management reimbursable under federal law to persons who are incarcerated, involuntarily hospitalized, or in the process of transitioning out of one of these services. The guidance and trainings may also highlight preventive activities not reimbursable under federal law which may be cost-effective in a managed care environment. The purpose of this written guidance and trainings is to champion best clinical practices including, where appropriate, use of care coordination and long-acting injectable psychotropic medication, and to assist the health community to leverage federal funds and standardize payment and reporting procedures. ~~((The authority and the department of social and health services shall construe governing laws liberally to effectuate the broad remedial purposes of chapter 154, Laws of 2016, and provide a status update to the legislature by December 31, 2016.))~~

Sec. 1034. RCW 71.24.520 and 2018 c 201 s 4036 are each amended to read as follows:

The authority, in the operation of the ~~((chemical dependency))~~ substance use disorder program~~((§))~~, may:

- (1) Plan, establish, and maintain prevention and treatment programs as necessary or desirable;
- (2) Make contracts necessary or incidental to the performance of its duties and the execution of its powers, including managed care contracts for behavioral health services, contracts entered into under RCW 74.09.522, and contracts with public and private agencies, organizations, and individuals to pay them for services rendered or furnished to persons with substance use disorders, persons incapacitated by alcohol or other psychoactive chemicals, or intoxicated persons;
- (3) Enter into agreements for monitoring of verification of qualifications of counselors employed by approved treatment programs;
- (4) Adopt rules under chapter 34.05 RCW to carry out the provisions and purposes of this chapter and contract, cooperate, and coordinate with other public or private agencies or individuals for those purposes;
- (5) Solicit and accept for use any gift of money or property made by will or otherwise, and any grant of money, services, or property from the federal government, the state, or any political subdivision thereof or any private source,

and do all things necessary to cooperate with the federal government or any of its agencies in making an application for any grant;

(6) Administer or supervise the administration of the provisions relating to persons with substance use disorders and intoxicated persons of any state plan submitted for federal funding pursuant to federal health, welfare, or treatment legislation;

(7) Coordinate its activities and cooperate with ~~((chemical dependency))~~ substance use disorder programs in this and other states, and make contracts and other joint or cooperative arrangements with state, local, or private agencies in this and other states for the treatment of persons with substance use disorders and their families, persons incapacitated by alcohol or other psychoactive chemicals, and intoxicated persons and for the common advancement of ~~((chemical dependency))~~ substance use disorder programs;

(8) Keep records and engage in research and the gathering of relevant statistics;

(9) Do other acts and things necessary or convenient to execute the authority expressly granted to it;

(10) Acquire, hold, or dispose of real property or any interest therein, and construct, lease, or otherwise provide treatment programs.

Sec. 1035. RCW 71.24.535 and 2018 c 201 s 4039 are each amended to read as follows:

The authority shall:

(1) Develop, encourage, and foster statewide, regional, and local plans and programs for the prevention of alcoholism and other drug addiction, treatment of persons with substance use disorders and their families, persons incapacitated by alcohol or other psychoactive chemicals, and intoxicated persons in cooperation with public and private agencies, organizations, and individuals and provide technical assistance and consultation services for these purposes;

(2) Assure that any ~~((behavioral health organization managed care contract, or))~~ contract with a managed care ~~((contract under RCW 74.09.522))~~ organization for behavioral health services or programs for the treatment of persons with substance use disorders and their families ~~((persons incapacitated by alcohol or other psychoactive chemicals, and intoxicated persons))~~ provides medically necessary services to medicaid recipients. This must include a continuum of mental health and substance use disorder services consistent with the state's medicaid plan or federal waiver authorities, and nonmedicaid services consistent with priorities established by the authority;

(3) Coordinate the efforts and enlist the assistance of all public and private agencies, organizations, and individuals interested in prevention of alcoholism and drug addiction, and treatment of persons with substance use disorders and their families, persons incapacitated by alcohol or other psychoactive chemicals, and intoxicated persons;

(4) Cooperate with public and private agencies in establishing and conducting programs to provide treatment for persons with substance use disorders and their families, persons incapacitated by alcohol or other psychoactive chemicals, and intoxicated persons who are clients of the correctional system;

(5) Cooperate with the superintendent of public instruction, state board of education, schools, police departments, courts, and other public and private

agencies, organizations and individuals in establishing programs for the prevention of substance use disorders, treatment of persons with substance use disorders and their families, persons incapacitated by alcohol or other psychoactive chemicals, and intoxicated persons, and preparing curriculum materials thereon for use at all levels of school education;

(6) Prepare, publish, evaluate, and disseminate educational material dealing with the nature and effects of alcohol and other psychoactive chemicals and the consequences of their use;

(7) Develop and implement, as an integral part of substance use disorder treatment programs, an educational program for use in the treatment of persons with substance use disorders, persons incapacitated by alcohol or other psychoactive chemicals, and intoxicated persons, which program shall include the dissemination of information concerning the nature and effects of alcohol and other psychoactive chemicals, the consequences of their use, the principles of recovery, and HIV and AIDS;

(8) Organize and foster training programs for persons engaged in treatment of persons with substance use disorders, persons incapacitated by alcohol or other psychoactive chemicals, and intoxicated persons;

(9) Sponsor and encourage research into the causes and nature of substance use disorders, treatment of persons with substance use disorders, persons incapacitated by alcohol or other psychoactive chemicals, and intoxicated persons, and serve as a clearinghouse for information relating to substance use disorders;

(10) Specify uniform methods for keeping statistical information by public and private agencies, organizations, and individuals, and collect and make available relevant statistical information, including number of persons treated, frequency of admission and readmission, and frequency and duration of treatment;

(11) Advise the governor in the preparation of a comprehensive plan for treatment of persons with substance use disorders, persons incapacitated by alcohol or other psychoactive chemicals, and intoxicated persons for inclusion in the state's comprehensive health plan;

(12) Review all state health, welfare, and treatment plans to be submitted for federal funding under federal legislation, and advise the governor on provisions to be included relating to substance use disorders;

(13) Assist in the development of, and cooperate with, programs for ~~((alcohol and other psychoactive chemical))~~ substance use disorder education and treatment for employees of state and local governments and businesses and industries in the state;

(14) Use the support and assistance of interested persons in the community to encourage persons with substance use disorders voluntarily to undergo treatment;

(15) Cooperate with public and private agencies in establishing and conducting programs designed to deal with the problem of persons operating motor vehicles while intoxicated;

(16) Encourage general hospitals and other appropriate health facilities to admit without discrimination persons with substance use disorders, persons incapacitated by alcohol or other psychoactive chemicals, and intoxicated persons and to provide them with adequate and appropriate treatment;

(17) Encourage all health and disability insurance programs to include substance use disorders as a covered illness; and

(18) Organize and sponsor a statewide program to help court personnel, including judges, better understand substance use disorders and the uses of substance use disorder treatment programs and medications.

Sec. 1036. RCW 71.24.540 and 2018 c 201 s 4040 are each amended to read as follows:

The authority shall contract with behavioral health administrative services organizations, managed care organizations, or counties ((operating drug courts and counties in the process of implementing new drug courts)), as applicable, for the provision of substance use disorder treatment services ordered by a county-operated drug court.

Sec. 1037. RCW 71.24.545 and 2018 c 201 s 4041 are each amended to read as follows:

(1) The authority shall establish by appropriate means a comprehensive and coordinated program for the treatment of persons with substance use disorders and their families, persons incapacitated by alcohol or other psychoactive chemicals, and intoxicated persons.

(2)(a) The program shall include, but not necessarily be limited to, a continuum of ~~((chemical dependency))~~ substance use disorder treatment services that includes:

- (i) Withdrawal management;
- (ii) Residential treatment; and
- (iii) Outpatient treatment.

(b) The program may include peer support, supported housing, supported employment, crisis diversion, or recovery support services.

(3) All appropriate public and private resources shall be coordinated with and used in the program when possible.

(4) The authority may contract for the use of an approved treatment program or other individual or organization if the director considers this to be an effective and economical course to follow.

(5) ~~((By April 1, 2016,))~~ Treatment provided under this chapter must be purchased primarily through managed care contracts. Consistent with RCW 71.24.580, services and funding provided through the criminal justice treatment account are intended to be exempted from managed care contracting.

Sec. 1038. RCW 71.24.555 and 2018 c 201 s 4042 are each amended to read as follows:

To be eligible to receive its share of liquor taxes and profits, each city and county shall devote no less than two percent of its share of liquor taxes and profits to the support of a substance use disorder program ~~((approved by the behavioral health organization and the director, and))~~ licensed or certified by the department of health.

Sec. 1039. RCW 71.24.565 and 2018 c 201 s 4043 are each amended to read as follows:

The director shall adopt and may amend and repeal rules for acceptance of persons into the approved treatment program, considering available treatment resources and facilities, for the purpose of early and effective treatment of persons with substance use disorders, persons incapacitated by alcohol or other

psychoactive chemicals, and intoxicated persons. In establishing the rules, the ~~((secretary))~~ director shall be guided by the following standards:

(1) If possible a patient shall be treated on a voluntary rather than an involuntary basis.

(2) A patient shall be initially assigned or transferred to outpatient treatment, unless he or she is found to require residential treatment.

(3) A person shall not be denied treatment solely because he or she has withdrawn from treatment against medical advice on a prior occasion or because he or she has relapsed after earlier treatment.

(4) An individualized treatment plan shall be prepared and maintained on a current basis for each patient.

(5) Provision shall be made for a continuum of coordinated treatment services, so that a person who leaves a facility or a form of treatment will have available and use other appropriate treatment.

Sec. 1040. RCW 71.24.580 and 2018 c 205 s 2 and 2018 c 201 s 4044 are each reenacted and amended to read as follows:

(1) The criminal justice treatment account is created in the state treasury. Moneys in the account may be expended solely for: (a) Substance use disorder treatment and treatment support services for offenders with a substance use disorder that, if not treated, would result in addiction, against whom charges are filed by a prosecuting attorney in Washington state; (b) the provision of substance use disorder treatment services and treatment support services for nonviolent offenders within a drug court program; and (c) the administrative and overhead costs associated with the operation of a drug court. Amounts provided in this subsection must be used for treatment and recovery support services for criminally involved offenders and authorization of these services shall not be subject to determinations of medical necessity. During the 2017-2019 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the criminal justice treatment account to the state general fund. It is the intent of the legislature to continue in the 2019-2021 biennium the policy of transferring to the state general fund such amounts as reflect the excess fund balance of the account. Moneys in the account may be spent only after appropriation.

(2) For purposes of this section:

(a) "Treatment" means services that are critical to a participant's successful completion of his or her substance use disorder treatment program, including but not limited to the recovery support and other programmatic elements outlined in RCW 2.30.030 authorizing therapeutic courts; and

(b) "Treatment support" includes transportation to or from inpatient or outpatient treatment services when no viable alternative exists, and child care services that are necessary to ensure a participant's ability to attend outpatient treatment sessions.

(3) Revenues to the criminal justice treatment account consist of: (a) Funds transferred to the account pursuant to this section; and (b) any other revenues appropriated to or deposited in the account.

(4)(a) For the fiscal year beginning July 1, 2005, and each subsequent fiscal year, the state treasurer shall transfer eight million two hundred fifty thousand dollars from the general fund to the criminal justice treatment account, divided into four equal quarterly payments. For the fiscal year beginning July 1, 2006,

and each subsequent fiscal year, the amount transferred shall be increased on an annual basis by the implicit price deflator as published by the federal bureau of labor statistics.

(b) In each odd-numbered year, the legislature shall appropriate the amount transferred to the criminal justice treatment account in (a) of this subsection to the department for the purposes of subsection (5) of this section.

(5) Moneys appropriated to the authority from the criminal justice treatment account shall be distributed as specified in this subsection. The authority may retain up to three percent of the amount appropriated under subsection (4)(b) of this section for its administrative costs.

(a) Seventy percent of amounts appropriated to the authority from the account shall be distributed to counties pursuant to the distribution formula adopted under this section. The authority, in consultation with the department of corrections, the Washington state association of counties, the Washington state association of drug court professionals, the superior court judges' association, the Washington association of prosecuting attorneys, representatives of the criminal defense bar, representatives of substance use disorder treatment providers, and any other person deemed by the authority to be necessary, shall establish a fair and reasonable methodology for distribution to counties of moneys in the criminal justice treatment account. County or regional plans submitted for the expenditure of formula funds must be approved by the panel established in (b) of this subsection.

(b) Thirty percent of the amounts appropriated to the authority from the account shall be distributed as grants for purposes of treating offenders against whom charges are filed by a county prosecuting attorney. The authority shall appoint a panel of representatives from the Washington association of prosecuting attorneys, the Washington association of sheriffs and police chiefs, the superior court judges' association, the Washington state association of counties, the Washington defender's association or the Washington association of criminal defense lawyers, the department of corrections, the Washington state association of drug court professionals, and substance use disorder treatment providers. The panel shall review county or regional plans for funding under (a) of this subsection and grants approved under this subsection. The panel shall attempt to ensure that treatment as funded by the grants is available to offenders statewide.

(6) The county alcohol and drug coordinator, county prosecutor, county sheriff, county superior court, a substance abuse treatment provider appointed by the county legislative authority, a member of the criminal defense bar appointed by the county legislative authority, and, in counties with a drug court, a representative of the drug court shall jointly submit a plan, approved by the county legislative authority or authorities, to the panel established in subsection (5)(b) of this section, for disposition of all the funds provided from the criminal justice treatment account within that county. The funds shall be used solely to provide approved alcohol and substance abuse treatment pursuant to RCW 71.24.560 and treatment support services. No more than ten percent of the total moneys received under subsections (4) and (5) of this section by a county or group of counties participating in a regional agreement shall be spent for treatment support services.

(7) Counties are encouraged to consider regional agreements and submit regional plans for the efficient delivery of treatment under this section.

(8) Moneys allocated under this section shall be used to supplement, not supplant, other federal, state, and local funds used for substance abuse treatment.

(9) Counties must meet the criteria established in RCW 2.30.030(3).

(10) The authority shall annually review and monitor the expenditures made by any county or group of counties that receives appropriated funds distributed under this section. Counties shall repay any funds that are not spent in accordance with the requirements of its contract with the authority.

Sec. 1041. RCW 71.24.600 and 2018 c 201 s 4047 are each amended to read as follows:

The authority shall not refuse admission for diagnosis, evaluation, guidance or treatment to any applicant because it is determined that the applicant is financially unable to contribute fully or in part to the cost of any services or facilities available under the community behavioral health program (~~on alcoholism~~).

For nonmedicaid clients, through its contracts with the behavioral health administrative services organizations, the authority may limit admissions of such applicants or modify its programs in order to ensure that expenditures for services or programs do not exceed amounts appropriated by the legislature and are allocated by the authority for such services or programs. For nonmedicaid clients, the authority may establish admission priorities in the event that the number of eligible applicants exceeds the limits set by the authority.

Sec. 1042. RCW 71.24.625 and 2018 c 201 s 4052 are each amended to read as follows:

The authority shall ensure that the provisions of this chapter are applied by ~~(the)~~ behavioral health administrative services organizations and managed care organizations in a consistent and uniform manner. The authority shall also ensure that, to the extent possible within available funds, the ~~((behavioral health organization))~~ designated ~~((chemical dependency specialists))~~ crisis responders are specifically trained in adolescent ~~((chemical dependency))~~ substance use disorder issues, the ~~((chemical dependency))~~ substance use disorder commitment laws, and the criteria for commitment ~~((as specified in this chapter and chapter 70.96A RCW)).~~

Sec. 1043. RCW 71.24.630 and 2018 c 201 s 4053 are each amended to read as follows:

(1) The authority shall maintain an integrated and comprehensive screening and assessment process for substance use and mental disorders and co-occurring substance use and mental disorders.

(a) The process adopted shall include, at a minimum:

(i) An initial screening tool that can be used by intake personnel system-wide and which will identify the most common types of co-occurring disorders;

(ii) An assessment process for those cases in which assessment is indicated that provides an appropriate degree of assessment for most situations, which can be expanded for complex situations;

(iii) Identification of triggers in the screening that indicate the need to begin an assessment;

(iv) Identification of triggers after or outside the screening that indicate a need to begin or resume an assessment;

(v) The components of an assessment process and a protocol for determining whether part or all of the assessment is necessary, and at what point; and

(vi) Emphasis that the process adopted under this section is to replace and not to duplicate existing intake, screening, and assessment tools and processes.

(b) The authority shall consider existing models, including those already adopted by other states, and to the extent possible, adopt an established, proven model.

(c) The integrated, comprehensive screening and assessment process shall be implemented statewide by all substance use disorder and mental health treatment providers (~~as well as all designated mental health professionals, designated chemical dependency specialists,~~) and designated crisis responders.

(2) The authority shall provide for adequate training to effect statewide implementation (~~by the dates designated in this section~~) and, upon request, shall report the rates of co-occurring disorders the stage of screening or assessment at which the co-occurring disorder was identified to the appropriate committees of the legislature.

(3) The authority shall establish (~~contractual penalties to contracted treatment providers, the behavioral health organizations, and their contracted providers for failure to~~) performance-based contracts with managed care organizations and behavioral health administrative services organizations and implement the integrated screening and assessment process.

Sec. 1044. RCW 71.24.845 and 2014 c 225 s 46 are each amended to read as follows:

The (~~behavioral health organizations shall jointly~~) authority, in consultation with the established behavioral health administrative services organizations, shall develop a uniform transfer agreement to govern the transfer of clients between behavioral health administrative services organizations, taking into account the needs of the regional service area. (~~By September 1, 2013, the behavioral health organizations shall submit the uniform transfer agreement to the department. By December 1, 2013, the department shall establish guidelines to implement the uniform transfer agreement and may modify the uniform transfer agreement as necessary to avoid impacts on state administrative systems.~~)

Sec. 1045. RCW 71.24.870 and 2017 c 207 s 2 are each amended to read as follows:

(1) (~~Subject to the availability of amounts appropriated for this specific purpose, the department must immediately perform a review of its rules, policies, and procedures related to the documentation requirements for behavioral health services.~~) Rules adopted by the department relating to the provision of behavioral health services must:

(a) Identify areas in which duplicative or inefficient documentation requirements can be eliminated or streamlined for providers;

(b) Limit prescriptive requirements for individual initial assessments to allow clinicians to exercise professional judgment to conduct age-appropriate,

strength-based psychosocial assessments, including current needs and relevant history according to current best practices;

~~(c) ((By April 1, 2018, provide a single set of regulations for agencies to follow that provide mental health, substance use disorder, and co-occurring treatment services;~~

~~(d))~~ Exempt providers from duplicative state documentation requirements when the provider is following documentation requirements of an evidence-based, research-based, or state-mandated program that provides adequate protection for patient safety; and

~~((e))~~ (d) Be clear and not unduly burdensome in order to maximize the time available for the provision of care.

(2) Subject to the availability of amounts appropriated for this specific purpose, audits conducted by the department relating to provision of behavioral health services must:

(a) Rely on a sampling methodology to conduct reviews of personnel files and clinical records based on written guidelines established by the department that are consistent with the standards of other licensing and accrediting bodies;

(b) Treat organizations with multiple locations as a single entity. The department must not require annual visits at all locations operated by a single entity when a sample of records may be reviewed from a centralized location;

(c) Share audit results with behavioral health administrative services organizations and managed care organizations to assist with their review process and, when appropriate, take steps to coordinate and combine audit activities;

~~(d) ((Coordinate audit functions between the department and the department of health to combine audit activities into a single site visit and eliminate redundancies;~~

~~(e))~~ Not require information to be provided in particular documents or locations when the same information is included or demonstrated elsewhere in the clinical file, except where required by federal law; and

~~((f))~~ (e) Ensure that audits involving manualized programs such as wraparound with intensive services or other evidence or research-based programs are conducted to the extent practicable by personnel familiar with the program model and in a manner consistent with the documentation requirements of the program.

NEW SECTION. Sec. 1046. A new section is added to chapter 71.24 RCW to read as follows:

(1) The authority shall contract with one or more behavioral health administrative services organizations to carry out the duties and responsibilities set forth in this chapter and chapter 71.05 RCW to provide crisis services to assigned regional service areas.

(2) For clients eligible for medical assistance under chapter 74.09 RCW, the authority shall contract with one or more managed care organizations as set forth in RCW 71.24.380 and 74.09.871 to provide medically necessary physical and behavioral health services.

NEW SECTION. Sec. 1047. A new section is added to chapter 71.24 RCW to read as follows:

(1) The legislature finds that ongoing coordination between state agencies, the counties, and the behavioral health administrative services organizations is

necessary to coordinate the behavioral health system. To this end, the authority shall establish a committee to meet quarterly to address systemic issues.

(2) The committee established in subsection (1) of this section must be convened by the authority, meet quarterly, and include representatives from:

- (a) The authority;
- (b) The department of social and health services;
- (c) The department;
- (d) The office of the governor;
- (e) One representative from the behavioral health administrative services organization per regional service area; and
- (f) One county representative per regional service area.

PART 2

Sec. 2001. RCW 71.34.020 and 2018 c 201 s 5002 are each amended to read as follows:

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

(1) "Alcoholism" means a disease, characterized by a dependency on alcoholic beverages, loss of control over the amount and circumstances of use, symptoms of tolerance, physiological or psychological withdrawal, or both, if use is reduced or discontinued, and impairment of health or disruption of social or economic functioning.

(2) "Approved substance use disorder treatment program" means a program for minors with substance use disorders provided by a treatment program licensed or certified by the department of health as meeting standards adopted under chapter 71.24 RCW.

(3) "Authority" means the Washington state health care authority.

(4) ~~("Chemical dependency" means:~~

- ~~(a) Alcoholism;~~
- ~~(b) Drug addiction; or~~
- ~~(c) Dependence on alcohol and one or more other psychoactive chemicals, as the context requires.~~

~~(5))~~ "Chemical dependency professional" means a person certified as a chemical dependency professional by the department of health under chapter 18.205 RCW.

~~((6))~~ (5) "Child psychiatrist" means a person having a license as a physician and surgeon in this state, who has had graduate training in child psychiatry in a program approved by the American Medical Association or the American Osteopathic Association, and who is board eligible or board certified in child psychiatry.

~~((7))~~ (6) "Children's mental health specialist" means:

(a) A mental health professional who has completed a minimum of one hundred actual hours, not quarter or semester hours, of specialized training devoted to the study of child development and the treatment of children; and

(b) A mental health professional who has the equivalent of one year of full-time experience in the treatment of children under the supervision of a children's mental health specialist.

~~((8))~~ (7) "Commitment" means a determination by a judge or court commissioner, made after a commitment hearing, that the minor is in need of

inpatient diagnosis, evaluation, or treatment or that the minor is in need of less restrictive alternative treatment.

~~((9))~~ (8) "Department" means the department of social and health services.

~~((10))~~ (9) "Designated crisis responder" ~~((means a person designated by a behavioral health organization to perform the duties specified in this chapter))~~ has the same meaning as provided in RCW 71.05.020.

~~((11))~~ (10) "Director" means the director of the authority.

~~((12))~~ "Drug addiction" means a disease, characterized by a dependency on psychoactive chemicals, loss of control over the amount and circumstances of use, symptoms of tolerance, physiological or psychological withdrawal, or both, if use is reduced or discontinued, and impairment of health or disruption of social or economic functioning)) (11) "Behavioral health administrative services organization" has the same meaning as provided in RCW 71.24.025.

~~((13))~~ (12) "Evaluation and treatment facility" means a public or private facility or unit that is licensed or certified by the department of health to provide emergency, inpatient, residential, or outpatient mental health evaluation and treatment services for minors. A physically separate and separately-operated portion of a state hospital may be designated as an evaluation and treatment facility for minors. A facility which is part of or operated by the state or federal agency does not require licensure or certification. No correctional institution or facility, juvenile court detention facility, or jail may be an evaluation and treatment facility within the meaning of this chapter.

~~((14))~~ (13) "Evaluation and treatment program" means the total system of services and facilities coordinated and approved by a county or combination of counties for the evaluation and treatment of minors under this chapter.

~~((15))~~ (14) "Gravely disabled minor" means a minor who, as a result of a mental disorder, or as a result of the use of alcohol or other psychoactive chemicals, is in danger of serious physical harm resulting from a failure to provide for his or her essential human needs of health or safety, or manifests severe deterioration in routine functioning evidenced by repeated and escalating loss of cognitive or volitional control over his or her actions and is not receiving such care as is essential for his or her health or safety.

~~((16))~~ (15) "Inpatient treatment" means twenty-four-hour-per-day mental health care provided within a general hospital, psychiatric hospital, residential treatment facility licensed or certified by the department of health as an evaluation and treatment facility for minors, secure detoxification facility for minors, or approved substance use disorder treatment program for minors.

~~((17))~~ (16) "Intoxicated minor" means a minor whose mental or physical functioning is substantially impaired as a result of the use of alcohol or other psychoactive chemicals.

~~((18))~~ (17) "Less restrictive alternative" or "less restrictive setting" means outpatient treatment provided to a minor who is not residing in a facility providing inpatient treatment as defined in this chapter.

~~((19))~~ (18) "Likelihood of serious harm" means either: (a) A substantial risk that physical harm will be inflicted by an individual upon his or her own person, as evidenced by threats or attempts to commit suicide or inflict physical harm on oneself; (b) a substantial risk that physical harm will be inflicted by an individual upon another, as evidenced by behavior which has caused such harm or which places another person or persons in reasonable fear of sustaining such

harm; or (c) a substantial risk that physical harm will be inflicted by an individual upon the property of others, as evidenced by behavior which has caused substantial loss or damage to the property of others.

~~((20))~~ (19) "Medical necessity" for inpatient care means a requested service which is reasonably calculated to: (a) Diagnose, correct, cure, or alleviate a mental disorder or substance use disorder; or (b) prevent the progression of a mental disorder or substance use disorder that endangers life or causes suffering and pain, or results in illness or infirmity or threatens to cause or aggravate a handicap, or causes physical deformity or malfunction, and there is no adequate less restrictive alternative available.

~~((21))~~ (20) "Mental disorder" means any organic, mental, or emotional impairment that has substantial adverse effects on an individual's cognitive or volitional functions. The presence of alcohol abuse, drug abuse, juvenile criminal history, antisocial behavior, or intellectual disabilities alone is insufficient to justify a finding of "mental disorder" within the meaning of this section.

~~((22))~~ (21) "Mental health professional" means a psychiatrist, psychiatric advanced registered nurse practitioner, physician assistant working with a supervising psychiatrist, psychologist, psychiatric nurse, or social worker, and such other mental health professionals as may be defined by rules adopted by the secretary of the department of health under this chapter.

~~((23))~~ (22) "Minor" means any person under the age of eighteen years.

~~((24))~~ (23) "Outpatient treatment" means any of the nonresidential services mandated under chapter 71.24 RCW and provided by licensed or certified ~~(service providers)~~ behavioral health agencies as identified by RCW 71.24.025.

~~((25))~~ (24) "Parent" means:

(a) A biological or adoptive parent who has legal custody of the child, including either parent if custody is shared under a joint custody agreement; or

(b) A person or agency judicially appointed as legal guardian or custodian of the child.

~~((26))~~ (25) "Private agency" means any person, partnership, corporation, or association that is not a public agency, whether or not financed in whole or in part by public funds, that constitutes an evaluation and treatment facility or private institution, or hospital, or approved substance use disorder treatment program, that is conducted for, or includes a distinct unit, floor, or ward conducted for, the care and treatment of persons with mental illness, substance use disorders, or both mental illness and substance use disorders.

~~((27))~~ (26) "Physician assistant" means a person licensed as a physician assistant under chapter 18.57A or 18.71A RCW.

~~((28))~~ (27) "Professional person in charge" or "professional person" means a physician, other mental health professional, or other person empowered by an evaluation and treatment facility, secure detoxification facility, or approved substance use disorder treatment program with authority to make admission and discharge decisions on behalf of that facility.

~~((29))~~ (28) "Psychiatric nurse" means a registered nurse who has experience in the direct treatment of persons who have a mental illness or who are emotionally disturbed, such experience gained under the supervision of a mental health professional.

~~((30))~~ (29) "Psychiatrist" means a person having a license as a physician in this state who has completed residency training in psychiatry in a program approved by the American Medical Association or the American Osteopathic Association, and is board eligible or board certified in psychiatry.

~~((31))~~ (30) "Psychologist" means a person licensed as a psychologist under chapter 18.83 RCW.

~~((32))~~ (31) "Public agency" means any evaluation and treatment facility or institution, or hospital, or approved substance use disorder treatment program that is conducted for, or includes a distinct unit, floor, or ward conducted for, the care and treatment of persons with mental illness, substance use disorders, or both mental illness and substance use disorders if the agency is operated directly by federal, state, county, or municipal government, or a combination of such governments.

~~((33))~~ (32) "Responsible other" means the minor, the minor's parent or estate, or any other person legally responsible for support of the minor.

~~((34))~~ (33) "Secretary" means the secretary of the department or secretary's designee.

~~((35))~~ (34) "Secure detoxification facility" means a facility operated by either a public or private agency or by the program of an agency that:

(a) Provides for intoxicated minors:

(i) Evaluation and assessment, provided by certified chemical dependency professionals;

(ii) Acute or subacute detoxification services; and

(iii) Discharge assistance provided by certified chemical dependency professionals, including facilitating transitions to appropriate voluntary or involuntary inpatient services or to less restrictive alternatives as appropriate for the minor;

(b) Includes security measures sufficient to protect the patients, staff, and community; and

(c) Is licensed or certified as such by the department of health.

~~((36))~~ (35) "Social worker" means a person with a master's or further advanced degree from a social work educational program accredited and approved as provided in RCW 18.320.010.

~~((37))~~ (36) "Start of initial detention" means the time of arrival of the minor at the first evaluation and treatment facility, secure detoxification facility, or approved substance use disorder treatment program offering inpatient treatment if the minor is being involuntarily detained at the time. With regard to voluntary patients, "start of initial detention" means the time at which the minor gives notice of intent to leave under the provisions of this chapter.

~~((38))~~ (37) "Substance use disorder" means a cluster of cognitive, behavioral, and physiological symptoms indicating that an individual continues using the substance despite significant substance-related problems. The diagnosis of a substance use disorder is based on a pathological pattern of behaviors related to the use of the substances.

(38) "Managed care organization" has the same meaning as provided in RCW 71.24.025.

Sec. 2002. RCW 71.34.300 and 2018 c 201 s 5003 are each amended to read as follows:

~~((1))~~ The ~~((county or combination of counties))~~ authority is responsible for development and coordination of the evaluation and treatment program for minors ~~((, for incorporating the program into the mental health plan,))~~ and for coordination of evaluation and treatment services and resources with the community ~~((mental))~~ behavioral health program required under chapter 71.24 RCW.

~~((2))~~ The county shall be responsible for maintaining its support of involuntary treatment services for minors at its 1984 level, adjusted for inflation, with the authority responsible for additional costs to the county resulting from this chapter. Maintenance of effort funds devoted to judicial services related to involuntary commitment reimbursed under RCW 71.05.730 must be expended for other purposes that further treatment for mental health and chemical dependency disorders.)

Sec. 2003. RCW 71.34.330 and 2014 c 225 s 89 are each amended to read as follows:

Attorneys appointed for minors under this chapter shall be compensated for their services as follows:

(1) Responsible others shall bear the costs of such legal services if financially able according to standards set by the court of the county in which the proceeding is held.

(2) If all responsible others are indigent as determined by these standards, the behavioral health administrative services organization shall reimburse the county in which the proceeding is held for the direct costs of such legal services, as provided in RCW 71.05.730.

Sec. 2004. RCW 71.34.379 and 2011 c 302 s 5 are each amended to read as follows:

~~((1))~~ ~~By December 1, 2011,~~) Facilities licensed under chapter 70.41, 71.12, or 72.23 RCW are required to adopt policies and protocols regarding the notice requirements described in RCW 71.34.375 ~~((, and~~

~~((2))~~ ~~By December 1, 2012, the department, in collaboration with the department of health, shall provide a detailed report to the legislature regarding the facilities' compliance with RCW 71.34.375 and subsection (1) of this section).~~

Sec. 2005. RCW 71.34.385 and 2018 c 201 s 5007 are each amended to read as follows:

The authority shall ensure that the provisions of this chapter are applied ~~((by the counties))~~ in a consistent and uniform manner. The authority shall also ensure that, to the extent possible within available funds, the designated crisis responders are specifically trained in adolescent mental health issues, the mental health and substance use disorder civil commitment laws, and the criteria for civil commitment.

Sec. 2006. RCW 71.34.415 and 2014 c 225 s 90 are each amended to read as follows:

A county may apply to its behavioral health administrative services organization for reimbursement of its direct costs in providing judicial services for civil commitment cases under this chapter, as provided in RCW 71.05.730.

Sec. 2007. RCW 71.34.670 and 2018 c 201 s 2001 are each amended to read as follows:

The authority shall adopt rules defining "appropriately trained professional person" operating within their scope of practice within Title 18 RCW for the purposes of conducting mental health and ((chemical dependency)) substance use disorder evaluations under RCW 71.34.600(3) and 71.34.650(1).

Sec. 2008. RCW 71.34.750 and 2016 sp.s. c 29 s 276 and 2016 c 155 s 21 are each reenacted and amended to read as follows:

(1) At any time during the minor's period of fourteen-day commitment, the professional person in charge may petition the court for an order requiring the minor to undergo an additional one hundred eighty-day period of treatment. The evidence in support of the petition shall be presented by the county prosecutor unless the petition is filed by the professional person in charge of a state-operated facility in which case the evidence shall be presented by the attorney general.

(2) The petition for one hundred eighty-day commitment shall contain the following:

(a) The name and address of the petitioner or petitioners;

(b) The name of the minor alleged to meet the criteria for one hundred eighty-day commitment;

(c) A statement that the petitioner is the professional person in charge of the evaluation and treatment facility, secure detoxification facility, or approved substance use disorder treatment program responsible for the treatment of the minor;

(d) The date of the fourteen-day commitment order; and

(e) A summary of the facts supporting the petition.

(3) The petition shall be supported by accompanying affidavits signed by: (a) Two examining physicians, one of whom shall be a child psychiatrist, or two psychiatric advanced registered nurse practitioners, one of whom shall be a child and adolescent or family psychiatric advanced registered nurse practitioner, or two physician assistants, one of whom must be supervised by a child psychiatrist; (b) one children's mental health specialist and either an examining physician, physician assistant, or a psychiatric advanced registered nurse practitioner; or (c) two among an examining physician, physician assistant, and a psychiatric advanced registered nurse practitioner, one of which needs to be a child psychiatrist~~((---))~~, a physician assistant supervised by a child psychiatrist, or a child and adolescent psychiatric nurse practitioner. The affidavits shall describe in detail the behavior of the detained minor which supports the petition and shall state whether a less restrictive alternative to inpatient treatment is in the best interests of the minor.

(4) The petition for one hundred eighty-day commitment shall be filed with the clerk of the court at least three days before the expiration of the fourteen-day commitment period. The petitioner or the petitioner's designee shall within twenty-four hours of filing serve a copy of the petition on the minor and notify the minor's attorney and the minor's parent. A copy of the petition shall be provided to such persons at least twenty-four hours prior to the hearing.

(5) At the time of filing, the court shall set a date within seven days for the hearing on the petition. The court may continue the hearing upon the written request of the minor or the minor's attorney for not more than ten days. The minor or the parents shall be afforded the same rights as in a fourteen-day

commitment hearing. Treatment of the minor shall continue pending the proceeding.

(6) For one hundred eighty-day commitment:

(a) The court must find by clear, cogent, and convincing evidence that the minor:

(i) Is suffering from a mental disorder or substance use disorder;

(ii) Presents a likelihood of serious harm or is gravely disabled; and

(iii) Is in need of further treatment that only can be provided in a one hundred eighty-day commitment.

(b) If commitment is for a substance use disorder, the court must find that there is an available approved substance use disorder treatment program that has adequate space for the minor.

(7) If the court finds that the criteria for commitment are met and that less restrictive treatment in a community setting is not appropriate or available, the court shall order the minor committed to the custody of the ~~((secretary))~~ director for further inpatient mental health treatment, to an approved substance use disorder treatment program for further substance use disorder treatment, or to a private treatment and evaluation facility for inpatient mental health or substance use disorder treatment if the minor's parents have assumed responsibility for payment for the treatment. If the court finds that a less restrictive alternative is in the best interest of the minor, the court shall order less restrictive alternative treatment upon such conditions as necessary.

If the court determines that the minor does not meet the criteria for one hundred eighty-day commitment, the minor shall be released.

(8) Successive one hundred eighty-day commitments are permissible on the same grounds and under the same procedures as the original one hundred eighty-day commitment. Such petitions shall be filed at least five days prior to the expiration of the previous one hundred eighty-day commitment order.

Sec. 2009. RCW 71.34.750 and 2016 sp.s. c 29 s 277 are each amended to read as follows:

(1) At any time during the minor's period of fourteen-day commitment, the professional person in charge may petition the court for an order requiring the minor to undergo an additional one hundred eighty-day period of treatment. The evidence in support of the petition shall be presented by the county prosecutor unless the petition is filed by the professional person in charge of a state-operated facility in which case the evidence shall be presented by the attorney general.

(2) The petition for one hundred eighty-day commitment shall contain the following:

(a) The name and address of the petitioner or petitioners;

(b) The name of the minor alleged to meet the criteria for one hundred eighty-day commitment;

(c) A statement that the petitioner is the professional person in charge of the evaluation and treatment facility, secure detoxification facility, or approved substance use disorder treatment program responsible for the treatment of the minor;

(d) The date of the fourteen-day commitment order; and

(e) A summary of the facts supporting the petition.

(3) The petition shall be supported by accompanying affidavits signed by:

- (a) Two examining physicians, one of whom shall be a child psychiatrist, or two psychiatric advanced registered nurse practitioners, one of whom shall be a child and adolescent or family psychiatric advanced registered nurse practitioner, or two physician assistants, one of whom must be supervised by a child psychiatrist;
- (b) one children's mental health specialist and either an examining physician, physician assistant, or a psychiatric advanced registered nurse practitioner;
- or (c) two among an examining physician, physician assistant, and a psychiatric advanced registered nurse practitioner, one of which needs to be a child psychiatrist~~((§-1))~~, a physician assistant supervised by a child psychiatrist, or a child and adolescent psychiatric nurse practitioner. The affidavits shall describe in detail the behavior of the detained minor which supports the petition and shall state whether a less restrictive alternative to inpatient treatment is in the best interests of the minor.

(4) The petition for one hundred eighty-day commitment shall be filed with the clerk of the court at least three days before the expiration of the fourteen-day commitment period. The petitioner or the petitioner's designee shall within twenty-four hours of filing serve a copy of the petition on the minor and notify the minor's attorney and the minor's parent. A copy of the petition shall be provided to such persons at least twenty-four hours prior to the hearing.

(5) At the time of filing, the court shall set a date within seven days for the hearing on the petition. The court may continue the hearing upon the written request of the minor or the minor's attorney for not more than ten days. The minor or the parents shall be afforded the same rights as in a fourteen-day commitment hearing. Treatment of the minor shall continue pending the proceeding.

(6) For one hundred eighty-day commitment, the court must find by clear, cogent, and convincing evidence that the minor:

- (a) Is suffering from a mental disorder or substance use disorder;
- (b) Presents a likelihood of serious harm or is gravely disabled; and
- (c) Is in need of further treatment that only can be provided in a one hundred eighty-day commitment.

(7) If the court finds that the criteria for commitment are met and that less restrictive treatment in a community setting is not appropriate or available, the court shall order the minor committed to the custody of the ~~((secretary))~~ director for further inpatient mental health treatment, to an approved substance use disorder treatment program for further substance use disorder treatment, or to a private treatment and evaluation facility for inpatient mental health or substance use disorder treatment if the minor's parents have assumed responsibility for payment for the treatment. If the court finds that a less restrictive alternative is in the best interest of the minor, the court shall order less restrictive alternative treatment upon such conditions as necessary.

If the court determines that the minor does not meet the criteria for one hundred eighty-day commitment, the minor shall be released.

(8) Successive one hundred eighty-day commitments are permissible on the same grounds and under the same procedures as the original one hundred eighty-day commitment. Such petitions shall be filed at least five days prior to the expiration of the previous one hundred eighty-day commitment order.

Sec. 2010. RCW 71.36.010 and 2018 c 201 s 5023 are each amended to read as follows:

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

(1) "Agency" means a state, tribal, or local governmental entity or a private not-for-profit organization.

(2) "Behavioral health administrative services organization" means ~~((a county authority or group of county authorities or other nonprofit entity that has entered into contracts with the health care authority pursuant to))~~ an entity contracted with the health care authority to administer behavioral health services and programs under section 1046 of this act, including crisis services and administration of the involuntary treatment act, chapter 71.05 RCW, for all individuals in a defined regional service area under chapter 71.24 RCW.

(3) "Child" means a person under eighteen years of age, except as expressly provided otherwise in state or federal law.

(4) "Consensus-based" means a program or practice that has general support among treatment providers and experts, based on experience or professional literature, and may have anecdotal or case study support, or that is agreed but not possible to perform studies with random assignment and controlled groups.

(5) "County authority" means the board of county commissioners or county executive.

(6) "Early periodic screening, diagnosis, and treatment" means the component of the federal medicaid program established pursuant to 42 U.S.C. Sec. 1396d(r), as amended.

(7) "Evidence-based" means a program or practice that has had multiple site random controlled trials across heterogeneous populations demonstrating that the program or practice is effective for the population.

(8) "Family" means a child's biological parents, adoptive parents, foster parents, guardian, legal custodian authorized pursuant to Title 26 RCW, a relative with whom a child has been placed by the department of social and health services, or a tribe.

(9) "Managed care organization" means an organization, having a certificate of authority or certificate of registration from the office of the insurance commissioner, that contracts with the health care authority under a comprehensive risk contract to provide prepaid health care services to enrollees under the authority's managed care programs under chapter 74.09 RCW.

(10) "Promising practice" or "emerging best practice" means a practice that presents, based upon preliminary information, potential for becoming a research-based or consensus-based practice.

~~((10))~~ (11) "Research-based" means a program or practice that has some research demonstrating effectiveness, but that does not yet meet the standard of evidence-based practices.

~~((11))~~ (12) "Wraparound process" means a family driven planning process designed to address the needs of children and youth by the formation of a team that empowers families to make key decisions regarding the care of the child or youth in partnership with professionals and the family's natural community supports. The team produces a community-based and culturally competent intervention plan which identifies the strengths and needs of the child or youth and family and defines goals that the team collaborates on achieving with

respect for the unique cultural values of the family. The "wraparound process" shall emphasize principles of persistence and outcome-based measurements of success.

Sec. 2011. RCW 71.36.025 and 2018 c 201 s 5024 are each amended to read as follows:

(1) It is the goal of the legislature that(~~(, by 2012,)~~) the children's mental health system in Washington state include the following elements:

(a) A continuum of services from early identification, intervention, and prevention through crisis intervention and inpatient treatment, including peer support and parent mentoring services;

(b) Equity in access to services for similarly situated children, including children with co-occurring disorders;

(c) Developmentally appropriate, high quality, and culturally competent services available statewide;

(d) Treatment of each child in the context of his or her family and other persons that are a source of support and stability in his or her life;

(e) A sufficient supply of qualified and culturally competent children's mental health providers;

(f) Use of developmentally appropriate evidence-based and research-based practices;

(g) Integrated and flexible services to meet the needs of children who, due to mental illness or emotional or behavioral disturbance, are at risk of out-of-home placement or involved with multiple child-serving systems.

(2) The effectiveness of the children's mental health system shall be determined through the use of outcome-based performance measures. The health care authority and the evidence-based practice institute established in RCW 71.24.061, in consultation with parents, caregivers, youth, behavioral health administrative services organizations, managed care organizations contracted with the authority under chapter 74.09 RCW, mental health services providers, health plans, primary care providers, tribes, and others, shall develop outcome-based performance measures such as:

(a) Decreased emergency room utilization;

(b) Decreased psychiatric hospitalization;

(c) Lessening of symptoms, as measured by commonly used assessment tools;

(d) Decreased out-of-home placement, including residential, group, and foster care, and increased stability of such placements, when necessary;

(e) Decreased runaways from home or residential placements;

(f) Decreased rates of (~~(chemical dependency)~~) substance use disorder;

(g) Decreased involvement with the juvenile justice system;

(h) Improved school attendance and performance;

(i) Reductions in school or child care suspensions or expulsions;

(j) Reductions in use of prescribed medication where cognitive behavioral therapies are indicated;

(k) Improved rates of high school graduation and employment; and

(l) Decreased use of mental health services upon reaching adulthood for mental disorders other than those that require ongoing treatment to maintain stability.

Performance measure reporting for children's mental health services should be integrated into existing performance measurement and reporting systems developed and implemented under chapter 71.24 RCW.

Sec. 2012. RCW 71.36.040 and 2018 c 201 s 5025 are each amended to read as follows:

~~(1) ((The legislature supports recommendations made in the August 2002 study of the public mental health system for children conducted by the joint legislative audit and review committee.~~

~~(2))~~ The health care authority shall, within available funds:

(a) Identify internal business operation issues that limit the ~~((agency's))~~ authority's ability to meet legislative intent to coordinate existing categorical children's mental health programs and funding;

(b) Collect reliable mental health cost, service, and outcome data specific to children. This information must be used to identify best practices and methods of improving fiscal management;

(c) Revise the early and periodic screening diagnosis and treatment plan to reflect the mental health system structure in place ~~((on July 27, 2003, and thereafter revise the plan))~~ as necessary to conform to ~~((subsequent))~~ changes in the structure.

~~((3))~~ (2) The health care authority and the office of the superintendent of public instruction shall jointly identify school districts where mental health and education systems coordinate services and resources to provide public mental health care for children. The health care authority and the office of the superintendent of public instruction shall work together to share information about these approaches with other school districts, managed care organizations, behavioral health administrative services organizations, and state agencies.

PART 3

Sec. 3001. RCW 71.05.020 and 2018 c 305 s 1, 2018 c 291 s 1, and 2018 c 201 s 3001 are each reenacted and amended to read as follows:

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

(1) "Admission" or "admit" means a decision by a physician, physician assistant, or psychiatric advanced registered nurse practitioner that a person should be examined or treated as a patient in a hospital;

(2) "Alcoholism" means a disease, characterized by a dependency on alcoholic beverages, loss of control over the amount and circumstances of use, symptoms of tolerance, physiological or psychological withdrawal, or both, if use is reduced or discontinued, and impairment of health or disruption of social or economic functioning;

(3) "Antipsychotic medications" means that class of drugs primarily used to treat serious manifestations of mental illness associated with thought disorders, which includes, but is not limited to atypical antipsychotic medications;

(4) "Approved substance use disorder treatment program" means a program for persons with a substance use disorder provided by a treatment program certified by the department as meeting standards adopted under chapter 71.24 RCW;

(5) "Attending staff" means any person on the staff of a public or private agency having responsibility for the care and treatment of a patient;

(6) "Authority" means the Washington state health care authority;

(7) (~~"Chemical dependency" means:~~

~~(a) Alcoholism;~~

~~(b) Drug addiction; or~~

~~(c) Dependence on alcohol and one or more psychoactive chemicals, as the context requires;~~

~~(8))~~ (8) "Chemical dependency professional" means a person certified as a chemical dependency professional by the department under chapter 18.205 RCW;

~~((9))~~ (8) "Commitment" means the determination by a court that a person should be detained for a period of either evaluation or treatment, or both, in an inpatient or a less restrictive setting;

~~((10))~~ (9) "Conditional release" means a revocable modification of a commitment, which may be revoked upon violation of any of its terms;

~~((11))~~ (10) "Crisis stabilization unit" means a short-term facility or a portion of a facility licensed or certified by the department (~~under RCW 71.24.035~~), such as an evaluation and treatment facility or a hospital, which has been designed to assess, diagnose, and treat individuals experiencing an acute crisis without the use of long-term hospitalization;

~~((12))~~ (11) "Custody" means involuntary detention under the provisions of this chapter or chapter 10.77 RCW, uninterrupted by any period of unconditional release from commitment from a facility providing involuntary care and treatment;

~~((13))~~ (12) "Department" means the department of health;

~~((14))~~ (13) "Designated crisis responder" means a mental health professional appointed by the county(~~(:)~~) or an entity appointed by the county, (~~or the behavioral health organization~~) to perform the duties specified in this chapter;

~~((15))~~ (14) "Detention" or "detain" means the lawful confinement of a person, under the provisions of this chapter;

~~((16))~~ (15) "Developmental disabilities professional" means a person who has specialized training and three years of experience in directly treating or working with persons with developmental disabilities and is a psychiatrist, physician assistant working with a supervising psychiatrist, psychologist, psychiatric advanced registered nurse practitioner, or social worker, and such other developmental disabilities professionals as may be defined by rules adopted by the secretary of the department of social and health services;

~~((17))~~ (16) "Developmental disability" means that condition defined in RCW 71A.10.020(5);

~~((18))~~ (17) "Director" means the director of the authority;

~~((19))~~ (18) "Discharge" means the termination of hospital medical authority. The commitment may remain in place, be terminated, or be amended by court order;

~~((20))~~ (19) "Drug addiction" means a disease, characterized by a dependency on psychoactive chemicals, loss of control over the amount and circumstances of use, symptoms of tolerance, physiological or psychological withdrawal, or both, if use is reduced or discontinued, and impairment of health or disruption of social or economic functioning;

~~((21))~~ (20) "Evaluation and treatment facility" means any facility which can provide directly, or by direct arrangement with other public or private agencies, emergency evaluation and treatment, outpatient care, and timely and appropriate inpatient care to persons suffering from a mental disorder, and which is licensed or certified as such by the department. The authority may certify single beds as temporary evaluation and treatment beds under RCW 71.05.745. A physically separate and separately operated portion of a state hospital may be designated as an evaluation and treatment facility. A facility which is part of, or operated by, the department of social and health services or any federal agency will not require certification. No correctional institution or facility, or jail, shall be an evaluation and treatment facility within the meaning of this chapter;

~~((22))~~ (21) "Gravely disabled" means a condition in which a person, as a result of a mental disorder, or as a result of the use of alcohol or other psychoactive chemicals: (a) Is in danger of serious physical harm resulting from a failure to provide for his or her essential human needs of health or safety; or (b) manifests severe deterioration in routine functioning evidenced by repeated and escalating loss of cognitive or volitional control over his or her actions and is not receiving such care as is essential for his or her health or safety;

~~((23))~~ (22) "Habilitative services" means those services provided by program personnel to assist persons in acquiring and maintaining life skills and in raising their levels of physical, mental, social, and vocational functioning. Habilitative services include education, training for employment, and therapy. The habilitative process shall be undertaken with recognition of the risk to the public safety presented by the person being assisted as manifested by prior charged criminal conduct;

~~((24))~~ (23) "Hearing" means any proceeding conducted in open court. For purposes of this chapter, at any hearing the petitioner, the respondent, the witnesses, and the presiding judicial officer may be present and participate either in person or by video, as determined by the court. The term "video" as used herein shall include any functional equivalent. At any hearing conducted by video, the technology used must permit the judicial officer, counsel, all parties, and the witnesses to be able to see, hear, and speak, when authorized, during the hearing; to allow attorneys to use exhibits or other materials during the hearing; and to allow respondent's counsel to be in the same location as the respondent unless otherwise requested by the respondent or the respondent's counsel. Witnesses in a proceeding may also appear in court through other means, including telephonically, pursuant to the requirements of superior court civil rule 43. Notwithstanding the foregoing, the court, upon its own motion or upon a motion for good cause by any party, may require all parties and witnesses to participate in the hearing in person rather than by video. In ruling on any such motion, the court may allow in-person or video testimony; and the court may consider, among other things, whether the respondent's alleged mental illness affects the respondent's ability to perceive or participate in the proceeding by video;

~~((25))~~ (24) "History of one or more violent acts" refers to the period of time ten years prior to the filing of a petition under this chapter, excluding any time spent, but not any violent acts committed, in a mental health facility, a long-term alcoholism or drug treatment facility, or in confinement as a result of a criminal conviction;

~~((26))~~ (25) "Imminent" means the state or condition of being likely to occur at any moment or near at hand, rather than distant or remote;

~~((27))~~ (26) "Individualized service plan" means a plan prepared by a developmental disabilities professional with other professionals as a team, for a person with developmental disabilities, which shall state:

(a) The nature of the person's specific problems, prior charged criminal behavior, and habilitation needs;

(b) The conditions and strategies necessary to achieve the purposes of habilitation;

(c) The intermediate and long-range goals of the habilitation program, with a projected timetable for the attainment;

(d) The rationale for using this plan of habilitation to achieve those intermediate and long-range goals;

(e) The staff responsible for carrying out the plan;

(f) Where relevant in light of past criminal behavior and due consideration for public safety, the criteria for proposed movement to less-restrictive settings, criteria for proposed eventual discharge or release, and a projected possible date for discharge or release; and

(g) The type of residence immediately anticipated for the person and possible future types of residences;

~~((28))~~ (27) "Information related to mental health services" means all information and records compiled, obtained, or maintained in the course of providing services to either voluntary or involuntary recipients of services by a mental health service provider. This may include documents of legal proceedings under this chapter or chapter 71.34 or 10.77 RCW, or somatic health care information;

~~((29))~~ (28) "Intoxicated person" means a person whose mental or physical functioning is substantially impaired as a result of the use of alcohol or other psychoactive chemicals;

~~((30))~~ (29) "In need of assisted outpatient behavioral health treatment" means that a person, as a result of a mental disorder or substance use disorder:

(a) Has been committed by a court to detention for involuntary behavioral health treatment during the preceding thirty-six months; (b) is unlikely to voluntarily participate in outpatient treatment without an order for less restrictive alternative treatment, based on a history of nonadherence with treatment or in view of the person's current behavior; (c) is likely to benefit from less restrictive alternative treatment; and (d) requires less restrictive alternative treatment to prevent a relapse, decompensation, or deterioration that is likely to result in the person presenting a likelihood of serious harm or the person becoming gravely disabled within a reasonably short period of time;

~~((31))~~ (30) "Judicial commitment" means a commitment by a court pursuant to the provisions of this chapter;

~~((32))~~ (31) "Legal counsel" means attorneys and staff employed by county prosecutor offices or the state attorney general acting in their capacity as legal representatives of public mental health and substance use disorder service providers under RCW 71.05.130;

~~((33))~~ (32) "Less restrictive alternative treatment" means a program of individualized treatment in a less restrictive setting than inpatient treatment that includes the services described in RCW 71.05.585;

~~((34))~~ (33) "Licensed physician" means a person licensed to practice medicine or osteopathic medicine and surgery in the state of Washington;

~~((35))~~ (34) "Likelihood of serious harm" means:

(a) A substantial risk that: (i) Physical harm will be inflicted by a person upon his or her own person, as evidenced by threats or attempts to commit suicide or inflict physical harm on oneself; (ii) physical harm will be inflicted by a person upon another, as evidenced by behavior which has caused such harm or which places another person or persons in reasonable fear of sustaining such harm; or (iii) physical harm will be inflicted by a person upon the property of others, as evidenced by behavior which has caused substantial loss or damage to the property of others; or

(b) The person has threatened the physical safety of another and has a history of one or more violent acts;

~~((36))~~ (35) "Medical clearance" means a physician or other health care provider has determined that a person is medically stable and ready for referral to the designated crisis responder;

~~((37))~~ (36) "Mental disorder" means any organic, mental, or emotional impairment which has substantial adverse effects on a person's cognitive or volitional functions;

~~((38))~~ (37) "Mental health professional" means a psychiatrist, psychologist, physician assistant working with a supervising psychiatrist, psychiatric advanced registered nurse practitioner, psychiatric nurse, or social worker, and such other mental health professionals as may be defined by rules adopted by the secretary pursuant to the provisions of this chapter;

~~((39))~~ (38) "Mental health service provider" means a public or private agency that provides mental health services to persons with mental disorders or substance use disorders as defined under this section and receives funding from public sources. This includes, but is not limited to, hospitals licensed under chapter 70.41 RCW, evaluation and treatment facilities as defined in this section, community mental health service delivery systems or community behavioral health programs as defined in RCW 71.24.025, facilities conducting competency evaluations and restoration under chapter 10.77 RCW, approved substance use disorder treatment programs as defined in this section, secure detoxification facilities as defined in this section, and correctional facilities operated by state and local governments;

~~((40))~~ (39) "Peace officer" means a law enforcement official of a public agency or governmental unit, and includes persons specifically given peace officer powers by any state law, local ordinance, or judicial order of appointment;

~~((41))~~ (40) "Physician assistant" means a person licensed as a physician assistant under chapter 18.57A or 18.71A RCW;

~~((42))~~ (41) "Private agency" means any person, partnership, corporation, or association that is not a public agency, whether or not financed in whole or in part by public funds, which constitutes an evaluation and treatment facility or private institution, or hospital, or approved substance use disorder treatment program, which is conducted for, or includes a department or ward conducted for, the care and treatment of persons with mental illness, substance use disorders, or both mental illness and substance use disorders;

~~((43))~~ (42) "Professional person" means a mental health professional, chemical dependency professional, or designated crisis responder and shall also mean a physician, physician assistant, psychiatric advanced registered nurse practitioner, registered nurse, and such others as may be defined by rules adopted by the secretary pursuant to the provisions of this chapter;

~~((44))~~ (43) "Psychiatric advanced registered nurse practitioner" means a person who is licensed as an advanced registered nurse practitioner pursuant to chapter 18.79 RCW; and who is board certified in advanced practice psychiatric and mental health nursing;

~~((45))~~ (44) "Psychiatrist" means a person having a license as a physician and surgeon in this state who has in addition completed three years of graduate training in psychiatry in a program approved by the American medical association or the American osteopathic association and is certified or eligible to be certified by the American board of psychiatry and neurology;

~~((46))~~ (45) "Psychologist" means a person who has been licensed as a psychologist pursuant to chapter 18.83 RCW;

~~((47))~~ (46) "Public agency" means any evaluation and treatment facility or institution, secure detoxification facility, approved substance use disorder treatment program, or hospital which is conducted for, or includes a department or ward conducted for, the care and treatment of persons with mental illness, substance use disorders, or both mental illness and substance use disorders, if the agency is operated directly by federal, state, county, or municipal government, or a combination of such governments;

~~((48))~~ (47) "Release" means legal termination of the commitment under the provisions of this chapter;

~~((49))~~ (48) "Resource management services" has the meaning given in chapter 71.24 RCW;

~~((50))~~ (49) "Secretary" means the secretary of the department of health, or his or her designee;

~~((51))~~ (50) "Secure detoxification facility" means a facility operated by either a public or private agency or by the program of an agency that:

(a) Provides for intoxicated persons:

(i) Evaluation and assessment, provided by certified chemical dependency professionals;

(ii) Acute or subacute detoxification services; and

(iii) Discharge assistance provided by certified chemical dependency professionals, including facilitating transitions to appropriate voluntary or involuntary inpatient services or to less restrictive alternatives as appropriate for the individual;

(b) Includes security measures sufficient to protect the patients, staff, and community; and

(c) Is licensed or certified as such by the department of health;

~~((52))~~ (51) "Serious violent offense" has the same meaning as provided in RCW 9.94A.030;

~~((53))~~ (52) "Social worker" means a person with a master's or further advanced degree from a social work educational program accredited and approved as provided in RCW 18.320.010;

~~((54))~~ (53) "Substance use disorder" means a cluster of cognitive, behavioral, and physiological symptoms indicating that an individual continues

using the substance despite significant substance-related problems. The diagnosis of a substance use disorder is based on a pathological pattern of behaviors related to the use of the substances;

~~((55))~~ (54) "Therapeutic court personnel" means the staff of a mental health court or other therapeutic court which has jurisdiction over defendants who are dually diagnosed with mental disorders, including court personnel, probation officers, a court monitor, prosecuting attorney, or defense counsel acting within the scope of therapeutic court duties;

~~((56))~~ (55) "Treatment records" include registration and all other records concerning persons who are receiving or who at any time have received services for mental illness, which are maintained by the department of social and health services, the department, the authority, behavioral health administrative services organizations and their staffs, managed care organizations and their staffs, and by treatment facilities. Treatment records include mental health information contained in a medical bill including but not limited to mental health drugs, a mental health diagnosis, provider name, and dates of service stemming from a medical service. Treatment records do not include notes or records maintained for personal use by a person providing treatment services for the department of social and health services, the department, the authority, behavioral health administrative services organizations, managed care organizations, or a treatment facility if the notes or records are not available to others;

~~((57))~~ (56) "Triage facility" means a short-term facility or a portion of a facility licensed or certified by the department (~~under RCW 71.24.035~~), which is designed as a facility to assess and stabilize an individual or determine the need for involuntary commitment of an individual, and must meet department residential treatment facility standards. A triage facility may be structured as a voluntary or involuntary placement facility;

~~((58))~~ (57) "Violent act" means behavior that resulted in homicide, attempted suicide, nonfatal injuries, or substantial damage to property.

Sec. 3002. RCW 71.05.025 and 2016 sp.s. c 29 s 205 are each amended to read as follows:

The legislature intends that the procedures and services authorized in this chapter be integrated with those in chapter 71.24 RCW to the maximum extent necessary to assure a continuum of care to persons with mental illness or who have mental disorders or substance use disorders, as defined in either or both this chapter and chapter 71.24 RCW. To this end, behavioral health administrative services organizations established in accordance with chapter 71.24 RCW shall institute procedures which require timely consultation with resource management services by designated crisis responders, managed care organizations, evaluation and treatment facilities, secure detoxification facilities, and approved substance use disorder treatment programs to assure that determinations to admit, detain, commit, treat, discharge, or release persons with mental disorders or substance use disorders under this chapter are made only after appropriate information regarding such person's treatment history and current treatment plan has been sought from resource management services.

Sec. 3003. RCW 71.05.026 and 2018 c 201 s 3002 are each amended to read as follows:

(1) Except for monetary damage claims which have been reduced to final judgment by a superior court, this section applies to all claims against the state, state agencies, state officials, or state employees that exist on or arise after March 29, 2006.

(2) Except as expressly provided in contracts entered into by ~~((between))~~ the authority ~~((and the behavioral health organizations after March 29, 2006))~~, the entities identified in subsection (3) of this section shall have no claim for declaratory relief, injunctive relief, judicial review under chapter 34.05 RCW, or civil liability against the state or state agencies for actions or inactions performed pursuant to the administration of this chapter with regard to the following: (a) The allocation or payment of federal or state funds; (b) the use or allocation of state hospital beds; or (c) financial responsibility for the provision of inpatient mental health care or inpatient substance use disorder treatment.

(3) This section applies to counties, behavioral health administrative services organizations, managed care organizations, and entities which contract to provide behavioral health ~~((organization))~~ services and their subcontractors, agents, or employees.

Sec. 3004. RCW 71.05.027 and 2018 c 201 s 3003 are each amended to read as follows:

~~((1) Not later than January 1, 2007,))~~ All persons providing treatment under this chapter shall also ~~((implement the))~~ provide an integrated comprehensive screening and assessment process for ~~((chemical dependency))~~ substance use disorders and mental disorders adopted pursuant to RCW 71.24.630 ~~((and shall document the numbers of clients with co-occurring mental and substance abuse disorders based on a quadrant system of low and high needs))~~.

~~((2) Treatment providers and behavioral health organizations who fail to implement the integrated comprehensive screening and assessment process for chemical dependency and mental disorders by July 1, 2007, shall be subject to contractual penalties established under RCW 71.24.630.))~~

Sec. 3005. RCW 71.05.110 and 2014 c 225 s 83 are each amended to read as follows:

Attorneys appointed for persons pursuant to this chapter shall be compensated for their services as follows: (1) The person for whom an attorney is appointed shall, if he or she is financially able pursuant to standards as to financial capability and indigency set by the superior court of the county in which the proceeding is held, bear the costs of such legal services; (2) if such person is indigent pursuant to such standards, the behavioral health administrative services organization shall reimburse the county in which the proceeding is held for the direct costs of such legal services, as provided in RCW 71.05.730.

Sec. 3006. RCW 71.05.203 and 2018 c 201 s 3006 are each amended to read as follows:

(1) The authority and each behavioral health administrative services organization or agency employing designated crisis responders shall publish information in an easily accessible format describing the process for an immediate family member, guardian, or conservator to petition for court review of a detention decision under RCW 71.05.201.

(2) A designated crisis responder or designated crisis responder agency that receives a request for investigation for possible detention under this chapter must inquire whether the request comes from an immediate family member, guardian, or conservator who would be eligible to petition under RCW 71.05.201. If the designated crisis responder decides not to detain the person for evaluation and treatment under RCW 71.05.150 or 71.05.153 or forty-eight hours have elapsed since the request for investigation was received and the designated crisis responder has not taken action to have the person detained, the designated crisis responder or designated crisis responder agency must inform the immediate family member, guardian, or conservator who made the request for investigation about the process to petition for court review under RCW 71.05.201 and, to the extent feasible, provide the immediate family member, guardian, or conservator with written or electronic information about the petition process. If provision of written or electronic information is not feasible, the designated crisis responder or designated crisis responder agency must refer the immediate family member, guardian, or conservator to a web site where published information on the petition process may be accessed. The designated crisis responder or designated crisis responder agency must document the manner and date on which the information required under this subsection was provided to the immediate family member, guardian, or conservator.

(3) A designated crisis responder or designated crisis responder agency must, upon request, disclose the date of a designated crisis responder investigation under this chapter to an immediate family member, guardian, or conservator of a person to assist in the preparation of a petition under RCW 71.05.201.

Sec. 3007. RCW 71.05.300 and 2017 3rd sp.s. c 14 s 19 are each amended to read as follows:

(1) The petition for ninety day treatment shall be filed with the clerk of the superior court at least three days before expiration of the fourteen-day period of intensive treatment. At the time of filing such petition, the clerk shall set a time for the person to come before the court on the next judicial day after the day of filing unless such appearance is waived by the person's attorney, and the clerk shall notify the designated crisis responder. The designated crisis responder shall immediately notify the person detained, his or her attorney, if any, and his or her guardian or conservator, if any, the prosecuting attorney, and the behavioral health administrative services organization administrator, and provide a copy of the petition to such persons as soon as possible. The behavioral health administrative services organization administrator or designee may review the petition and may appear and testify at the full hearing on the petition.

(2) At the time set for appearance the detained person shall be brought before the court, unless such appearance has been waived and the court shall advise him or her of his or her right to be represented by an attorney, his or her right to a jury trial, and, if the petition is for commitment for mental health treatment, his or her loss of firearm rights if involuntarily committed. If the detained person is not represented by an attorney, or is indigent or is unwilling to retain an attorney, the court shall immediately appoint an attorney to represent him or her. The court shall, if requested, appoint a reasonably available licensed physician, physician assistant, psychiatric advanced registered nurse

practitioner, psychologist, psychiatrist, or other professional person, designated by the detained person to examine and testify on behalf of the detained person.

(3) The court may, if requested, also appoint a professional person as defined in RCW 71.05.020 to seek less restrictive alternative courses of treatment and to testify on behalf of the detained person. In the case of a person with a developmental disability who has been determined to be incompetent pursuant to RCW 10.77.086(4), then the appointed professional person under this section shall be a developmental disabilities professional.

(4) The court shall also set a date for a full hearing on the petition as provided in RCW 71.05.310.

Sec. 3008. RCW 71.05.365 and 2016 sp.s. c 37 s 15 are each amended to read as follows:

When a person has been involuntarily committed for treatment to a hospital for a period of ninety or one hundred eighty days, and the superintendent or professional person in charge of the hospital determines that the person no longer requires active psychiatric treatment at an inpatient level of care, the behavioral health administrative services organization, (~~(full integration entity under RCW 71.24.380)~~) managed care organization, or agency providing oversight of long-term care or developmental disability services that is responsible for resource management services for the person must work with the hospital to develop an individualized discharge plan and arrange for a transition to the community in accordance with the person's individualized discharge plan within fourteen days of the determination.

Sec. 3009. RCW 71.05.445 and 2018 c 201 s 3021 are each amended to read as follows:

(1)(a) When a mental health service provider conducts its initial assessment for a person receiving court-ordered treatment, the service provider shall inquire and shall be told by the offender whether he or she is subject to supervision by the department of corrections.

(b) When a person receiving court-ordered treatment or treatment ordered by the department of corrections discloses to his or her mental health service provider that he or she is subject to supervision by the department of corrections, the mental health service provider shall notify the department of corrections that he or she is treating the offender and shall notify the offender that his or her community corrections officer will be notified of the treatment, provided that if the offender has received relief from disclosure pursuant to RCW 9.94A.562 or 71.05.132 and the offender has provided the mental health service provider with a copy of the order granting relief from disclosure pursuant to RCW 9.94A.562 or 71.05.132, the mental health service provider is not required to notify the department of corrections that the mental health service provider is treating the offender. The notification may be written or oral and shall not require the consent of the offender. If an oral notification is made, it must be confirmed by a written notification. For purposes of this section, a written notification includes notification by email or facsimile, so long as the notifying mental health service provider is clearly identified.

(2) The information to be released to the department of corrections shall include all relevant records and reports, as defined by rule, necessary for the department of corrections to carry out its duties.

(3) The authority and the department of corrections, in consultation with behavioral health administrative services organizations, managed care organizations, mental health service providers as defined in RCW 71.05.020, mental health consumers, and advocates for persons with mental illness, shall adopt rules to implement the provisions of this section related to the type and scope of information to be released. These rules shall:

(a) Enhance and facilitate the ability of the department of corrections to carry out its responsibility of planning and ensuring community protection with respect to persons subject to sentencing under chapter 9.94A or 9.95 RCW, including accessing and releasing or disclosing information of persons who received mental health services as a minor; and

(b) Establish requirements for the notification of persons under the supervision of the department of corrections regarding the provisions of this section.

(4) The information received by the department of corrections under this section shall remain confidential and subject to the limitations on disclosure outlined in this chapter, except as provided in RCW 72.09.585.

(5) No mental health service provider or individual employed by a mental health service provider shall be held responsible for information released to or used by the department of corrections under the provisions of this section or rules adopted under this section.

(6) Whenever federal law or federal regulations restrict the release of information and records related to mental health services for any patient who receives treatment for alcoholism or drug dependency, the release of the information may be restricted as necessary to comply with federal law and regulations.

(7) This section does not modify the terms and conditions of disclosure of information related to sexually transmitted diseases under chapter 70.24 RCW.

(8) The authority shall, subject to available resources, electronically, or by the most cost-effective means available, provide the department of corrections with the names, last dates of services, and addresses of specific behavioral health administrative services organizations, managed care organizations, and mental health service providers that delivered mental health services to a person subject to chapter 9.94A or 9.95 RCW pursuant to an agreement between the authority and the department of corrections.

Sec. 3010. RCW 71.05.458 and 2016 c 158 s 5 are each amended to read as follows:

As soon as possible, but no later than twenty-four hours from receiving a referral from a law enforcement officer or law enforcement agency, excluding Saturdays, Sundays, and holidays, a mental health professional contacted by the designated (~~mental health professional~~) crisis responder agency must attempt to contact the referred person to determine whether additional mental health intervention is necessary, including, if needed, an assessment by a designated (~~mental health professional~~) crisis responder for initial detention under RCW 71.05.150 or 71.05.153. Documentation of the mental health professional's attempt to contact and assess the person must be maintained by the designated (~~mental health professional~~) crisis responder agency.

Sec. 3011. RCW 71.05.730 and 2015 c 250 s 15 are each amended to read as follows:

(1) A county may apply to its behavioral health administrative services organization on a quarterly basis for reimbursement of its direct costs in providing judicial services for civil commitment cases under this chapter and chapter 71.34 RCW. The behavioral health administrative services organization shall in turn be entitled to reimbursement from the behavioral health administrative services organization that serves the county of residence of the individual who is the subject of the civil commitment case. ~~((Reimbursements under this section shall be paid out of the behavioral health organization's nonmedicaid appropriation.))~~

(2) Reimbursement for judicial services shall be provided per civil commitment case at a rate to be determined based on an independent assessment of the county's actual direct costs. This assessment must be based on an average of the expenditures for judicial services within the county over the past three years. In the event that a baseline cannot be established because there is no significant history of similar cases within the county, the reimbursement rate shall be equal to eighty percent of the median reimbursement rate of counties included in the independent assessment.

(3) For the purposes of this section:

(a) "Civil commitment case" includes all judicial hearings related to a single episode of hospitalization or less restrictive alternative treatment, except that the filing of a petition for a one hundred eighty-day commitment under this chapter or a petition for a successive one hundred eighty-day commitment under chapter 71.34 RCW shall be considered to be a new case regardless of whether there has been a break in detention. "Civil commitment case" does not include the filing of a petition for a one hundred eighty-day commitment under this chapter on behalf of a patient at a state psychiatric hospital.

(b) "Judicial services" means a county's reasonable direct costs in providing prosecutor services, assigned counsel and defense services, court services, and court clerk services for civil commitment cases under this chapter and chapter 71.34 RCW.

(4) To the extent that resources have a shared purpose, the behavioral health administrative services organization may only reimburse counties to the extent such resources are necessary for and devoted to judicial services as described in this section.

(5) No filing fee may be charged or collected for any civil commitment case subject to reimbursement under this section.

Sec. 3012. RCW 71.05.740 and 2018 c 201 s 3031 are each amended to read as follows:

All behavioral health administrative services organizations in the state of Washington must forward historical mental health involuntary commitment information retained by the organization, including identifying information and dates of commitment to the authority. As soon as feasible, the behavioral health administrative services organizations must arrange to report new commitment data to the authority within twenty-four hours. Commitment information under this section does not need to be resent if it is already in the possession of the authority. Behavioral health administrative services organizations and the

authority shall be immune from liability related to the sharing of commitment information under this section.

Sec. 3013. RCW 71.05.750 and 2018 c 201 s 3033 are each amended to read as follows:

(1) A designated crisis responder shall make a report to the authority when he or she determines a person meets detention criteria under RCW 71.05.150, 71.05.153, 71.34.700, or 71.34.710 and there are not any beds available at an evaluation and treatment facility, the person has not been provisionally accepted for admission by a facility, and the person cannot be served on a single bed certification or less restrictive alternative. Starting at the time when the designated crisis responder determines a person meets detention criteria and the investigation has been completed, the designated crisis responder has twenty-four hours to submit a completed report to the authority.

(2) The report required under subsection (1) of this section must contain at a minimum:

- (a) The date and time that the investigation was completed;
- (b) The identity of the responsible behavioral health administrative services organization and managed care organization, if applicable;
- (c) The county in which the person met detention criteria;
- (d) A list of facilities which refused to admit the person; and
- (e) Identifying information for the person, including age or date of birth.

(3) The authority shall develop a standardized reporting form or modify the current form used for single bed certifications for the report required under subsection (2) of this section and may require additional reporting elements as it determines are necessary or supportive. The authority shall also determine the method for the transmission of the completed report from the designated crisis responder to the authority.

(4) The authority shall create quarterly reports displayed on its web site that summarize the information reported under subsection (2) of this section. At a minimum, the reports must display data by county and by month. The reports must also include the number of single bed certifications granted by category. The categories must include all of the reasons that the authority recognizes for issuing a single bed certification, as identified in rule.

(5) The reports provided according to this section may not display "protected health information" as that term is used in the federal health insurance portability and accountability act of 1996, nor information contained in "mental health treatment records" as that term is used in chapter 70.02 RCW or elsewhere in state law, and must otherwise be compliant with state and federal privacy laws.

(6) For purposes of this section, the term "single bed certification" means a situation in which an adult on a seventy-two hour detention, fourteen-day commitment, ninety-day commitment, or one hundred eighty-day commitment is detained to a facility that is:

- (a) Not licensed or certified as an inpatient evaluation and treatment facility;
- or
- (b) A licensed or certified inpatient evaluation and treatment facility that is already at capacity.

Sec. 3014. RCW 71.05.755 and 2018 c 201 s 3034 are each amended to read as follows:

(1) The authority shall promptly share reports it receives under RCW 71.05.750 with the responsible ~~((regional support network or))~~ behavioral health administrative services organization or managed care organization, if applicable. The ~~((regional support network or))~~ behavioral health administrative services organization or managed care organization, if applicable, receiving this notification must attempt to engage the person in appropriate services for which the person is eligible and report back within seven days to the authority.

(2) The authority shall track and analyze reports submitted under RCW 71.05.750. The authority must initiate corrective action when appropriate to ensure that each ~~((regional support network or))~~ behavioral health administrative services organization or managed care organization, if applicable, has implemented an adequate plan to provide evaluation and treatment services. Corrective actions may include remedies under ~~((RCW 71.24.330 and 74.09.871, including requiring expenditure of reserve funds))~~ the authority's contract with such entity. An adequate plan may include development of less restrictive alternatives to involuntary commitment such as crisis triage, crisis diversion, voluntary treatment, or prevention programs reasonably calculated to reduce demand for evaluation and treatment under this chapter.

Sec. 3015. RCW 71.05.760 and 2018 c 201 s 3035 are each amended to read as follows:

(1)(a) ~~((By April 1, 2018, the authority, by rule, must combine the functions of a designated mental health professional and designated chemical dependency specialist by establishing a designated crisis responder who is authorized to conduct investigations, detain persons up to seventy two hours to the proper facility, and carry out the other functions identified in this chapter and chapter 71.34 RCW.))~~ The ~~((behavioral health organizations))~~ authority or its designee shall provide training to the designated crisis responders ~~((as required by the authority)).~~

(b)(i) To qualify as a designated crisis responder, a person must have received ~~((chemical dependency))~~ substance use disorder training as determined by the ~~((department))~~ authority and be a:

(A) Psychiatrist, psychologist, physician assistant working with a supervising psychiatrist, psychiatric advanced registered nurse practitioner, or social worker;

(B) Person who is licensed by the department as a mental health counselor or mental health counselor associate, or marriage and family therapist or marriage and family therapist associate;

(C) Person with a master's degree or further advanced degree in counseling or one of the social sciences from an accredited college or university and who have, in addition, at least two years of experience in direct treatment of persons with mental illness or emotional disturbance, such experience gained under the direction of a mental health professional;

(D) Person who meets the waiver criteria of RCW 71.24.260, which waiver was granted before 1986;

(E) Person who had an approved waiver to perform the duties of a mental health professional that was requested by the regional support network and granted by the department of social and health services before July 1, 2001; or

(F) Person who has been granted an exception of the minimum requirements of a mental health professional by the department consistent with rules adopted by the secretary.

(ii) Training must include (~~(chemical dependency)~~) training specific to the duties of a designated crisis responder, including diagnosis of substance abuse and dependence and assessment of risk associated with substance use.

~~((c) The authority must develop a transition process for any person who has been designated as a designated mental health professional or a designated chemical dependency specialist before April 1, 2018, to be converted to a designated crisis responder. The behavioral health organizations shall provide training, as required by the authority, to persons converting to designated crisis responders, which must include both mental health and chemical dependency training applicable to the designated crisis responder role.))~~

(2)(a) The authority must ensure that at least one sixteen-bed secure detoxification facility is operational by April 1, 2018, and that at least two sixteen-bed secure detoxification facilities are operational by April 1, 2019.

(b) If, at any time during the implementation of secure detoxification facility capacity, federal funding becomes unavailable for federal match for services provided in secure detoxification facilities, then the authority must cease any expansion of secure detoxification facilities until further direction is provided by the legislature.

PART 4

Sec. 4001. RCW 74.09.337 and 2017 c 226 s 4 are each amended to read as follows:

(1) For children who are eligible for medical assistance and who have been identified as requiring mental health treatment, the authority must oversee the coordination of resources and services through (a) the managed health care system as defined in RCW 74.09.325 and (b) tribal organizations providing health care services. The authority must ensure the child receives treatment and appropriate care based on their assessed needs, regardless of whether the referral occurred through primary care, school-based services, or another practitioner.

(2) The authority must require each managed health care system as defined in RCW 74.09.325 (~~(and each behavioral health organization)~~) to develop and maintain adequate capacity to facilitate child mental health treatment services in the community (~~(or transfers to a behavioral health organization, depending on the level of required care)~~). Managed health care systems (~~(and behavioral health organizations)~~) must:

(a) Follow up with individuals to ensure an appointment has been secured;

(b) Coordinate with and report back to primary care provider offices on individual treatment plans and medication management, in accordance with patient confidentiality laws;

(c) Provide information to health plan members and primary care providers about the behavioral health resource line available twenty-four hours a day, seven days a week; and

(d) Maintain an accurate list of providers contracted to provide mental health services to children and youth. The list must contain current information regarding the providers' availability to provide services. The current list must be made available to health plan members and primary care providers.

(3) This section expires June 30, 2020.

Sec. 4002. RCW 74.09.495 and 2018 c 175 s 3 are each amended to read as follows:

(1) To better assure and understand issues related to network adequacy and access to services, the authority (~~(and the department)~~) shall report to the appropriate committees of the legislature by December 1, 2017, and annually thereafter, on the status of access to behavioral health services for children (~~(from)~~) from birth through age seventeen using data collected pursuant to RCW 70.320.050.

(2) At a minimum, the report must include the following components broken down by age, gender, and race and ethnicity:

(a) The percentage of discharges for patients ages six through seventeen who had a visit to the emergency room with a primary diagnosis of mental health or alcohol or other drug dependence during the measuring year and who had a follow-up visit with any provider with a corresponding primary diagnosis of mental health or alcohol or other drug dependence within thirty days of discharge;

(b) The percentage of health plan members with an identified mental health need who received mental health services during the reporting period;

(c) The percentage of children served by behavioral health administrative services organizations and managed care organizations, including the types of services provided;

(d) The number of children's mental health providers available in the previous year, the languages spoken by those providers, and the overall percentage of children's mental health providers who were actively accepting new patients; and

(e) Data related to mental health and medical services for eating disorder treatment in children and youth by county, including the number of:

(i) Eating disorder diagnoses;

(ii) Patients treated in outpatient, residential, emergency, and inpatient care settings; and

(iii) Contracted providers specializing in eating disorder treatment and the overall percentage of those providers who were actively accepting new patients during the reporting period.

Sec. 4003. RCW 74.09.515 and 2014 c 225 s 100 are each amended to read as follows:

(1) The authority shall adopt rules and policies providing that when youth who were enrolled in a medical assistance program immediately prior to confinement are released from confinement, their medical assistance coverage will be fully reinstated on the day of their release, subject to any expedited review of their continued eligibility for medical assistance coverage that is required under federal or state law.

(2) The authority, in collaboration with the department, county juvenile court administrators, managed care organizations, the department of children, youth, and families, and behavioral health administrative services organizations, shall establish procedures for coordination (~~(between department)~~) among field offices, juvenile rehabilitation (~~(administration)~~) institutions, and county juvenile courts that result in prompt reinstatement of eligibility and speedy eligibility determinations for youth who are likely to be eligible for medical

assistance services upon release from confinement. Procedures developed under this subsection must address:

(a) Mechanisms for receiving medical assistance services' applications on behalf of confined youth in anticipation of their release from confinement;

(b) Expeditious review of applications filed by or on behalf of confined youth and, to the extent practicable, completion of the review before the youth is released; and

(c) Mechanisms for providing medical assistance services' identity cards to youth eligible for medical assistance services immediately upon their release from confinement.

(3) For purposes of this section, "confined" or "confinement" means detained in a juvenile rehabilitation facility operated by or under contract with the department of ~~((social and health services, juvenile rehabilitation administration))~~ children, youth, and families, or detained in a juvenile detention facility operated under chapter 13.04 RCW.

(4) The authority shall adopt standardized statewide screening and application practices and forms designed to facilitate the application of a confined youth who is likely to be eligible for a medical assistance program.

Sec. 4004. RCW 74.09.522 and 2018 c 201 s 7017 are each amended to read as follows:

(1) For the purposes of this section:

(a) "Managed health care system" means any health care organization, including health care providers, insurers, health care service contractors, health maintenance organizations, health insuring organizations, or any combination thereof, that provides directly or by contract health care services covered under this chapter or other applicable law and rendered by licensed providers, on a prepaid capitated basis and that meets the requirements of section 1903(m)(1)(A) of Title XIX of the federal social security act or federal demonstration waivers granted under section 1115(a) of Title XI of the federal social security act;

(b) "Nonparticipating provider" means a person, health care provider, practitioner, facility, or entity, acting within their scope of practice, that does not have a written contract to participate in a managed health care system's provider network, but provides health care services to enrollees of programs authorized under this chapter or other applicable law whose health care services are provided by the managed health care system.

(2) The authority shall enter into agreements with managed health care systems to provide health care services to recipients of ~~((temporary assistance for needy families))~~ medicaid under the following conditions:

(a) Agreements shall be made for at least thirty thousand recipients statewide;

(b) Agreements in at least one county shall include enrollment of all recipients of ~~((temporary assistance for needy families))~~ programs as allowed for in the approved state plan amendment or federal waiver for Washington state's medicaid program;

(c) To the extent that this provision is consistent with section 1903(m) of Title XIX of the federal social security act or federal demonstration waivers granted under section 1115(a) of Title XI of the federal social security act, recipients shall have a choice of systems in which to enroll and shall have the

right to terminate their enrollment in a system: PROVIDED, That the authority may limit recipient termination of enrollment without cause to the first month of a period of enrollment, which period shall not exceed twelve months: AND PROVIDED FURTHER, That the authority shall not restrict a recipient's right to terminate enrollment in a system for good cause as established by the authority by rule;

(d) To the extent that this provision is consistent with section 1903(m) of Title XIX of the federal social security act, participating managed health care systems shall not enroll a disproportionate number of medical assistance recipients within the total numbers of persons served by the managed health care systems, except as authorized by the authority under federal demonstration waivers granted under section 1115(a) of Title XI of the federal social security act;

(e)(i) In negotiating with managed health care systems the authority shall adopt a uniform procedure to enter into contractual arrangements(~~(, to be included in contracts issued or renewed on or after January 1, 2015)~~), including:

(A) Standards regarding the quality of services to be provided;

(B) The financial integrity of the responding system;

(C) Provider reimbursement methods that incentivize chronic care management within health homes, including comprehensive medication management services for patients with multiple chronic conditions consistent with the findings and goals established in RCW 74.09.5223;

(D) Provider reimbursement methods that reward health homes that, by using chronic care management, reduce emergency department and inpatient use;

(E) Promoting provider participation in the program of training and technical assistance regarding care of people with chronic conditions described in RCW 43.70.533, including allocation of funds to support provider participation in the training, unless the managed care system is an integrated health delivery system that has programs in place for chronic care management;

(F) Provider reimbursement methods within the medical billing processes that incentivize pharmacists or other qualified providers licensed in Washington state to provide comprehensive medication management services consistent with the findings and goals established in RCW 74.09.5223;

(G) Evaluation and reporting on the impact of comprehensive medication management services on patient clinical outcomes and total health care costs, including reductions in emergency department utilization, hospitalization, and drug costs; and

(H) Established consistent processes to incentivize integration of behavioral health services in the primary care setting, promoting care that is integrated, collaborative, colocated, and preventive.

(ii)(A) Health home services contracted for under this subsection may be prioritized to enrollees with complex, high cost, or multiple chronic conditions.

(B) Contracts that include the items in (e)(i)(C) through (G) of this subsection must not exceed the rates that would be paid in the absence of these provisions;

(f) The authority shall seek waivers from federal requirements as necessary to implement this chapter;

(g) The authority shall, wherever possible, enter into prepaid capitation contracts that include inpatient care. However, if this is not possible or feasible, the authority may enter into prepaid capitation contracts that do not include inpatient care;

(h) The authority shall define those circumstances under which a managed health care system is responsible for out-of-plan services and assure that recipients shall not be charged for such services;

(i) Nothing in this section prevents the authority from entering into similar agreements for other groups of people eligible to receive services under this chapter; and

(j) The authority must consult with the federal center for medicare and medicaid innovation and seek funding opportunities to support health homes.

(3) The authority shall ensure that publicly supported community health centers and providers in rural areas, who show serious intent and apparent capability to participate as managed health care systems are seriously considered as contractors. The authority shall coordinate its managed care activities with activities under chapter 70.47 RCW.

(4) The authority shall work jointly with the state of Oregon and other states in this geographical region in order to develop recommendations to be presented to the appropriate federal agencies and the United States congress for improving health care of the poor, while controlling related costs.

(5) The legislature finds that competition in the managed health care marketplace is enhanced, in the long term, by the existence of a large number of managed health care system options for medicaid clients. In a managed care delivery system, whose goal is to focus on prevention, primary care, and improved enrollee health status, continuity in care relationships is of substantial importance, and disruption to clients and health care providers should be minimized. To help ensure these goals are met, the following principles shall guide the authority in its healthy options managed health care purchasing efforts:

(a) All managed health care systems should have an opportunity to contract with the authority to the extent that minimum contracting requirements defined by the authority are met, at payment rates that enable the authority to operate as far below appropriated spending levels as possible, consistent with the principles established in this section.

(b) Managed health care systems should compete for the award of contracts and assignment of medicaid beneficiaries who do not voluntarily select a contracting system, based upon:

(i) Demonstrated commitment to or experience in serving low-income populations;

(ii) Quality of services provided to enrollees;

(iii) Accessibility, including appropriate utilization, of services offered to enrollees;

(iv) Demonstrated capability to perform contracted services, including ability to supply an adequate provider network;

(v) Payment rates; and

(vi) The ability to meet other specifically defined contract requirements established by the authority, including consideration of past and current performance and participation in other state or federal health programs as a contractor.

(c) Consideration should be given to using multiple year contracting periods.

(d) Quality, accessibility, and demonstrated commitment to serving low-income populations shall be given significant weight in the contracting, evaluation, and assignment process.

(e) All contractors that are regulated health carriers must meet state minimum net worth requirements as defined in applicable state laws. The authority shall adopt rules establishing the minimum net worth requirements for contractors that are not regulated health carriers. This subsection does not limit the authority of the Washington state health care authority to take action under a contract upon finding that a contractor's financial status seriously jeopardizes the contractor's ability to meet its contract obligations.

(f) Procedures for resolution of disputes between the authority and contract bidders or the authority and contracting carriers related to the award of, or failure to award, a managed care contract must be clearly set out in the procurement document.

(6) The authority may apply the principles set forth in subsection (5) of this section to its managed health care purchasing efforts on behalf of clients receiving supplemental security income benefits to the extent appropriate.

(7) ~~((By April 1, 2016,))~~ Any contract with a managed health care system to provide services to medical assistance enrollees shall require that managed health care systems offer contracts to ~~((behavioral health organizations,))~~ mental health providers ~~((—or— chemical dependency))~~ and substance use disorder treatment providers to provide access to primary care services integrated into behavioral health clinical settings, for individuals with behavioral health and medical comorbidities.

(8) Managed health care system contracts effective on or after April 1, 2016, shall serve geographic areas that correspond to the regional service areas established in RCW 74.09.870.

(9) A managed health care system shall pay a nonparticipating provider that provides a service covered under this chapter or other applicable law to the system's enrollee no more than the lowest amount paid for that service under the managed health care system's contracts with similar providers in the state if the managed health care system has made good faith efforts to contract with the nonparticipating provider.

(10) For services covered under this chapter or other applicable law to medical assistance or medical care services enrollees ~~((and provided on or after August 24, 2011)),~~ nonparticipating providers must accept as payment in full the amount paid by the managed health care system under subsection (9) of this section in addition to any deductible, coinsurance, or copayment that is due from the enrollee for the service provided. An enrollee is not liable to any nonparticipating provider for covered services, except for amounts due for any deductible, coinsurance, or copayment under the terms and conditions set forth in the managed health care system contract to provide services under this section.

(11) Pursuant to federal managed care access standards, 42 C.F.R. Sec. 438, managed health care systems must maintain a network of appropriate providers that is supported by written agreements sufficient to provide adequate access to all services covered under the contract with the authority, including hospital-

based physician services. The authority will monitor and periodically report on the proportion of services provided by contracted providers and nonparticipating providers, by county, for each managed health care system to ensure that managed health care systems are meeting network adequacy requirements. No later than January 1st of each year, the authority will review and report its findings to the appropriate policy and fiscal committees of the legislature for the preceding state fiscal year.

(12) Payments under RCW 74.60.130 are exempt from this section.

(13) Subsections (9) through (11) of this section expire July 1, 2021.

Sec. 4005. RCW 74.09.555 and 2014 c 225 s 102 are each amended to read as follows:

(1) The authority shall adopt rules and policies providing that when persons with a mental disorder, who were enrolled in medical assistance immediately prior to confinement, are released from confinement, their medical assistance coverage will be fully reinstated on the day of their release, subject to any expedited review of their continued eligibility for medical assistance coverage that is required under federal or state law.

(2) The authority, in collaboration with the Washington association of sheriffs and police chiefs, the department of corrections, managed care organizations, and ~~((the))~~ behavioral health administrative services organizations, shall establish procedures for coordination between the authority and department field offices, institutions for mental disease, and correctional institutions, as defined in RCW 9.94.049, that result in prompt reinstatement of eligibility and speedy eligibility determinations for persons who are likely to be eligible for medical assistance services upon release from confinement. Procedures developed under this subsection must address:

(a) Mechanisms for receiving medical assistance services applications on behalf of confined persons in anticipation of their release from confinement;

(b) Expedited review of applications filed by or on behalf of confined persons and, to the extent practicable, completion of the review before the person is released;

(c) Mechanisms for providing medical assistance services identity cards to persons eligible for medical assistance services immediately upon their release from confinement; and

(d) Coordination with the federal social security administration, through interagency agreements or otherwise, to expedite processing of applications for federal supplemental security income or social security disability benefits, including federal acceptance of applications on behalf of confined persons.

(3) Where medical or psychiatric examinations during a person's confinement indicate that the person is disabled, the correctional institution or institution for mental diseases shall provide the authority with that information for purposes of making medical assistance eligibility and enrollment determinations prior to the person's release from confinement. The authority shall, to the maximum extent permitted by federal law, use the examination in making its determination whether the person is disabled and eligible for medical assistance.

(4) For purposes of this section, "confined" or "confinement" means incarcerated in a correctional institution, as defined in RCW 9.94.049, or

admitted to an institute for mental disease, as defined in 42 C.F.R. part 435, Sec. 1009 on July 24, 2005.

(5) For purposes of this section, "likely to be eligible" means that a person:

(a) Was enrolled in medicaid or supplemental security income or the medical care services program immediately before he or she was confined and his or her enrollment was terminated during his or her confinement; or

(b) Was enrolled in medicaid or supplemental security income or the medical care services program at any time during the five years before his or her confinement, and medical or psychiatric examinations during the person's confinement indicate that the person continues to be disabled and the disability is likely to last at least twelve months following release.

(6) The economic services administration within the department shall adopt standardized statewide screening and application practices and forms designed to facilitate the application of a confined person who is likely to be eligible for medicaid.

Sec. 4006. RCW 74.09.871 and 2018 c 201 s 2007 are each amended to read as follows:

(1) Any agreement or contract by the authority to provide behavioral health services as defined under RCW 71.24.025 to persons eligible for benefits under medicaid, Title XIX of the social security act, and to persons not eligible for medicaid must include the following:

(a) Contractual provisions consistent with the intent expressed in RCW 71.24.015(~~(7)~~) and 71.36.005(~~(7) and 70.96A.014~~);

(b) Standards regarding the quality of services to be provided, including increased use of evidence-based, research-based, and promising practices, as defined in RCW 71.24.025;

(c) Accountability for the client outcomes established in RCW 43.20A.895 (as recodified by this act), 70.320.020, and 71.36.025 and performance measures linked to those outcomes;

(d) Standards requiring behavioral health administrative services organizations and managed care organizations to maintain a network of appropriate providers that is supported by written agreements sufficient to provide adequate access to all services covered under the contract with the authority and to protect essential (~~(existing)~~) behavioral health system infrastructure and capacity, including a continuum of (~~(chemical dependency)~~) substance use disorder services;

(e) Provisions to require that medically necessary (~~(chemical dependency)~~) substance use disorder and mental health treatment services be available to clients;

(f) Standards requiring the use of behavioral health service provider reimbursement methods that incentivize improved performance with respect to the client outcomes established in RCW 43.20A.895 (as recodified by this act) and 71.36.025, integration of behavioral health and primary care services at the clinical level, and improved care coordination for individuals with complex care needs;

(g) Standards related to the financial integrity of the (~~(responding organization. The authority shall adopt rules establishing the solvency requirements and other financial integrity standards for behavioral health organizations)~~) contracting entity. This subsection does not limit the authority of

the authority to take action under a contract upon finding that a (~~behavioral health organization's~~) contracting entity's financial status jeopardizes the (~~organization's~~) contracting entity's ability to meet its contractual obligations;

(h) Mechanisms for monitoring performance under the contract and remedies for failure to substantially comply with the requirements of the contract including, but not limited to, financial deductions, termination of the contract, receivership, repurchase of the contract, and injunctive remedies;

(i) Provisions to maintain the decision-making independence of designated (~~mental health professionals or designated chemical dependency specialists~~) crisis responders; and

(j) Provisions stating that public funds appropriated by the legislature may not be used to promote or deter, encourage, or discourage employees from exercising their rights under Title 29, chapter 7, subchapter II, United States Code or chapter 41.56 RCW.

(2) The following factors must be given significant weight in any (~~purchasing~~) procurement process under this section:

(a) Demonstrated commitment and experience in serving low-income populations;

(b) Demonstrated commitment and experience serving persons who have mental illness, (~~chemical dependency~~) substance use disorders, or co-occurring disorders;

(c) Demonstrated commitment to and experience with partnerships with county and municipal criminal justice systems, housing services, and other critical support services necessary to achieve the outcomes established in RCW 43.20A.895 (as recodified by this act), 70.320.020, and 71.36.025;

(d) Recognition that meeting enrollees' physical and behavioral health care needs is a shared responsibility of contracted behavioral health administrative services organizations, managed (~~health~~) care (~~systems~~) organizations, service providers, the state, and communities;

(e) Consideration of past and current performance and participation in other state or federal behavioral health programs as a contractor; and

(f) The ability to meet requirements established by the authority.

(3) For purposes of purchasing behavioral health services and medical care services for persons eligible for benefits under medicaid, Title XIX of the social security act and for persons not eligible for medicaid, the authority must use regional service areas. The regional service areas must be established by the authority as provided in RCW 74.09.870.

(4) Consideration must be given to using multiple-biennia contracting periods.

(5) Each behavioral health administrative services organization operating pursuant to a contract issued under this section shall (~~enroll~~) serve clients within its regional service area who meet the authority's eligibility criteria for mental health and (~~chemical dependency~~) substance use disorder services within available resources.

PART 5

Sec. 5001. RCW 9.41.280 and 2016 sp.s. c 29 s 403 are each amended to read as follows:

(1) It is unlawful for a person to carry onto, or to possess on, public or private elementary or secondary school premises, school-provided

transportation, or areas of facilities while being used exclusively by public or private schools:

(a) Any firearm;

(b) Any other dangerous weapon as defined in RCW 9.41.250;

(c) Any device commonly known as "nun-chu-ka sticks," consisting of two or more lengths of wood, metal, plastic, or similar substance connected with wire, rope, or other means;

(d) Any device, commonly known as "throwing stars," which are multipointed, metal objects designed to embed upon impact from any aspect;

(e) Any air gun, including any air pistol or air rifle, designed to propel a BB, pellet, or other projectile by the discharge of compressed air, carbon dioxide, or other gas; or

(f)(i) Any portable device manufactured to function as a weapon and which is commonly known as a stun gun, including a projectile stun gun which projects wired probes that are attached to the device that emit an electrical charge designed to administer to a person or an animal an electric shock, charge, or impulse; or

(ii) Any device, object, or instrument which is used or intended to be used as a weapon with the intent to injure a person by an electric shock, charge, or impulse.

(2) Any such person violating subsection (1) of this section is guilty of a gross misdemeanor. If any person is convicted of a violation of subsection (1)(a) of this section, the person shall have his or her concealed pistol license, if any revoked for a period of three years. Anyone convicted under this subsection is prohibited from applying for a concealed pistol license for a period of three years. The court shall send notice of the revocation to the department of licensing, and the city, town, or county which issued the license.

Any violation of subsection (1) of this section by elementary or secondary school students constitutes grounds for expulsion from the state's public schools in accordance with RCW 28A.600.010. An appropriate school authority shall promptly notify law enforcement and the student's parent or guardian regarding any allegation or indication of such violation.

Upon the arrest of a person at least twelve years of age and not more than twenty-one years of age for violating subsection (1)(a) of this section, the person shall be detained or confined in a juvenile or adult facility for up to seventy-two hours. The person shall not be released within the seventy-two hours until after the person has been examined and evaluated by the designated crisis responder unless the court in its discretion releases the person sooner after a determination regarding probable cause or on probation bond or bail.

Within twenty-four hours of the arrest, the arresting law enforcement agency shall refer the person to the designated crisis responder for examination and evaluation under chapter 71.05 or 71.34 RCW and inform a parent or guardian of the person of the arrest, detention, and examination. The designated crisis responder shall examine and evaluate the person subject to the provisions of chapter 71.05 or 71.34 RCW. The examination shall occur at the facility in which the person is detained or confined. If the person has been released on probation, bond, or bail, the examination shall occur wherever is appropriate.

Upon completion of any examination by the designated crisis responder, the results of the examination shall be sent to the court, and the court shall consider those results in making any determination about the person.

The designated crisis responder shall, to the extent permitted by law, notify a parent or guardian of the person that an examination and evaluation has taken place and the results of the examination. Nothing in this subsection prohibits the delivery of additional, appropriate mental health examinations to the person while the person is detained or confined.

If the designated crisis responder determines it is appropriate, the designated crisis responder may refer the person to the local behavioral health administrative services organization for follow-up services (~~(or the department of social and health services)~~) or other community providers for other services to the family and individual.

(3) Subsection (1) of this section does not apply to:

(a) Any student or employee of a private military academy when on the property of the academy;

(b) Any person engaged in military, law enforcement, or school district security activities. However, a person who is not a commissioned law enforcement officer and who provides school security services under the direction of a school administrator may not possess a device listed in subsection (1)(f) of this section unless he or she has successfully completed training in the use of such devices that is equivalent to the training received by commissioned law enforcement officers;

(c) Any person who is involved in a convention, showing, demonstration, lecture, or firearms safety course authorized by school authorities in which the firearms of collectors or instructors are handled or displayed;

(d) Any person while the person is participating in a firearms or air gun competition approved by the school or school district;

(e) Any person in possession of a pistol who has been issued a license under RCW 9.41.070, or is exempt from the licensing requirement by RCW 9.41.060, while picking up or dropping off a student;

(f) Any nonstudent at least eighteen years of age legally in possession of a firearm or dangerous weapon that is secured within an attended vehicle or concealed from view within a locked unattended vehicle while conducting legitimate business at the school;

(g) Any nonstudent at least eighteen years of age who is in lawful possession of an unloaded firearm, secured in a vehicle while conducting legitimate business at the school; or

(h) Any law enforcement officer of the federal, state, or local government agency.

(4) Subsections (1)(c) and (d) of this section do not apply to any person who possesses nun-chu-ka sticks, throwing stars, or other dangerous weapons to be used in martial arts classes authorized to be conducted on the school premises.

(5) Subsection (1)(f)(i) of this section does not apply to any person who possesses a device listed in subsection (1)(f)(i) of this section, if the device is possessed and used solely for the purpose approved by a school for use in a school authorized event, lecture, or activity conducted on the school premises.

(6) Except as provided in subsection (3)(b), (c), (f), and (h) of this section, firearms are not permitted in a public or private school building.

(7) "GUN-FREE ZONE" signs shall be posted around school facilities giving warning of the prohibition of the possession of firearms on school grounds.

Sec. 5002. RCW 9.94A.660 and 2016 sp.s. c 29 s 524 are each amended to read as follows:

(1) An offender is eligible for the special drug offender sentencing alternative if:

(a) The offender is convicted of a felony that is not a violent offense or sex offense and the violation does not involve a sentence enhancement under RCW 9.94A.533 (3) or (4);

(b) The offender is convicted of a felony that is not a felony driving while under the influence of intoxicating liquor or any drug under RCW 46.61.502(6) or felony physical control of a vehicle while under the influence of intoxicating liquor or any drug under RCW 46.61.504(6);

(c) The offender has no current or prior convictions for a sex offense at any time or violent offense within ten years before conviction of the current offense, in this state, another state, or the United States;

(d) For a violation of the Uniform Controlled Substances Act under chapter 69.50 RCW or a criminal solicitation to commit such a violation under chapter 9A.28 RCW, the offense involved only a small quantity of the particular controlled substance as determined by the judge upon consideration of such factors as the weight, purity, packaging, sale price, and street value of the controlled substance;

(e) The offender has not been found by the United States attorney general to be subject to a deportation detainer or order and does not become subject to a deportation order during the period of the sentence;

(f) The end of the standard sentence range for the current offense is greater than one year; and

(g) The offender has not received a drug offender sentencing alternative more than once in the prior ten years before the current offense.

(2) A motion for a special drug offender sentencing alternative may be made by the court, the offender, or the state.

(3) If the sentencing court determines that the offender is eligible for an alternative sentence under this section and that the alternative sentence is appropriate, the court shall waive imposition of a sentence within the standard sentence range and impose a sentence consisting of either a prison-based alternative under RCW 9.94A.662 or a residential (~~chemical dependency~~) substance use disorder treatment-based alternative under RCW 9.94A.664. The residential (~~chemical dependency~~) substance use disorder treatment-based alternative is only available if the midpoint of the standard range is twenty-four months or less.

(4) To assist the court in making its determination, the court may order the department to complete either or both a risk assessment report and a (~~chemical dependency~~) substance use disorder screening report as provided in RCW 9.94A.500.

(5)(a) If the court is considering imposing a sentence under the residential (~~chemical dependency~~) substance use disorder treatment-based alternative, the court may order an examination of the offender by the department. The examination shall, at a minimum, address the following issues:

- (i) Whether the offender suffers from drug addiction;
 - (ii) Whether the addiction is such that there is a probability that criminal behavior will occur in the future;
 - (iii) Whether effective treatment for the offender's addiction is available from a provider that has been licensed or certified by the department of ((social and)) health ((services)); and
 - (iv) Whether the offender and the community will benefit from the use of the alternative.
- (b) The examination report must contain:
- (i) A proposed monitoring plan, including any requirements regarding living conditions, lifestyle requirements, and monitoring by family members and others; and
 - (ii) Recommended crime-related prohibitions and affirmative conditions.
- (6) When a court imposes a sentence of community custody under this section:
- (a) The court may impose conditions as provided in RCW 9.94A.703 and may impose other affirmative conditions as the court considers appropriate. In addition, an offender may be required to pay thirty dollars per month while on community custody to offset the cost of monitoring for alcohol or controlled substances.
 - (b) The department may impose conditions and sanctions as authorized in RCW 9.94A.704 and 9.94A.737.
- (7)(a) The court may bring any offender sentenced under this section back into court at any time on its own initiative to evaluate the offender's progress in treatment or to determine if any violations of the conditions of the sentence have occurred.
- (b) If the offender is brought back to court, the court may modify the conditions of the community custody or impose sanctions under (c) of this subsection.
 - (c) The court may order the offender to serve a term of total confinement within the standard range of the offender's current offense at any time during the period of community custody if the offender violates the conditions or requirements of the sentence or if the offender is failing to make satisfactory progress in treatment.
 - (d) An offender ordered to serve a term of total confinement under (c) of this subsection shall receive credit for any time previously served under this section.
- (8) In serving a term of community custody imposed upon failure to complete, or administrative termination from, the special drug offender sentencing alternative program, the offender shall receive no credit for time served in community custody prior to termination of the offender's participation in the program.
- (9) An offender sentenced under this section shall be subject to all rules relating to earned release time with respect to any period served in total confinement.
- (10) Costs of examinations and preparing treatment plans under a special drug offender sentencing alternative may be paid, at the option of the county, from funds provided to the county from the criminal justice treatment account under RCW 71.24.580.

Sec. 5003. RCW 9.94A.664 and 2009 c 389 s 5 are each amended to read as follows:

(1) A sentence for a residential (~~(chemical dependency)~~) substance use disorder treatment-based alternative shall include a term of community custody equal to one-half the midpoint of the standard sentence range or two years, whichever is greater, conditioned on the offender entering and remaining in residential (~~(chemical dependency)~~) substance use disorder treatment certified (~~(under chapter 70.96A RCW)~~) by the department of health for a period set by the court between three and six months.

(2)(a) The court shall impose, as conditions of community custody, treatment and other conditions as proposed in the examination report completed pursuant to RCW 9.94A.660.

(b) If the court imposes a term of community custody, the department shall, within available resources, make (~~(chemical dependency)~~) substance use disorder assessment and treatment services available to the offender during the term of community custody.

(3)(a) If the court imposes a sentence under this section, the treatment provider must send the treatment plan to the court within thirty days of the offender's arrival to the residential (~~(chemical dependency)~~) substance use disorder treatment program.

(b) Upon receipt of the plan, the court shall schedule a progress hearing during the period of residential (~~(chemical dependency)~~) substance use disorder treatment, and schedule a treatment termination hearing for three months before the expiration of the term of community custody.

(c) Before the progress hearing and treatment termination hearing, the treatment provider and the department shall submit written reports to the court and parties regarding the offender's compliance with treatment and monitoring requirements, and recommendations regarding termination from treatment.

(4) At a progress hearing or treatment termination hearing, the court may:

(a) Authorize the department to terminate the offender's community custody status on the expiration date determined under subsection (1) of this section;

(b) Continue the hearing to a date before the expiration date of community custody, with or without modifying the conditions of community custody; or

(c) Impose a term of total confinement equal to one-half the midpoint of the standard sentence range, followed by a term of community custody under RCW 9.94A.701.

(5) If the court imposes a term of total confinement, the department shall, within available resources, make (~~(chemical dependency)~~) substance use disorder assessment and treatment services available to the offender during the term of total confinement and subsequent term of community custody.

Sec. 5004. RCW 10.31.110 and 2014 c 225 s 57 are each amended to read as follows:

(1) When a police officer has reasonable cause to believe that the individual has committed acts constituting a nonfelony crime that is not a serious offense as identified in RCW 10.77.092 and the individual is known by history or consultation with the behavioral health administrative services organization to suffer from a mental disorder, the arresting officer may:

(a) Take the individual to a crisis stabilization unit as defined in RCW 71.05.020(~~(6)~~). Individuals delivered to a crisis stabilization unit pursuant to

this section may be held by the facility for a period of up to twelve hours. The individual must be examined by a mental health professional within three hours of arrival;

(b) Take the individual to a triage facility as defined in RCW 71.05.020. An individual delivered to a triage facility which has elected to operate as an involuntary facility may be held up to a period of twelve hours. The individual must be examined by a mental health professional within three hours of arrival;

(c) Refer the individual to a mental health professional for evaluation for initial detention and proceeding under chapter 71.05 RCW; or

(d) Release the individual upon agreement to voluntary participation in outpatient treatment.

(2) If the individual is released to the community, the mental health provider shall inform the arresting officer of the release within a reasonable period of time after the release if the arresting officer has specifically requested notification and provided contact information to the provider.

(3) In deciding whether to refer the individual to treatment under this section, the police officer shall be guided by standards mutually agreed upon with the prosecuting authority, which address, at a minimum, the length, seriousness, and recency of the known criminal history of the individual, the mental health history of the individual, where available, and the circumstances surrounding the commission of the alleged offense.

(4) Any agreement to participate in treatment shall not require individuals to stipulate to any of the alleged facts regarding the criminal activity as a prerequisite to participation in a mental health treatment alternative. The agreement is inadmissible in any criminal or civil proceeding. The agreement does not create immunity from prosecution for the alleged criminal activity.

(5) If an individual violates such agreement and the mental health treatment alternative is no longer appropriate:

(a) The mental health provider shall inform the referring law enforcement agency of the violation; and

(b) The original charges may be filed or referred to the prosecutor, as appropriate, and the matter may proceed accordingly.

(6) The police officer is immune from liability for any good faith conduct under this section.

Sec. 5005. RCW 10.77.010 and 2016 sp.s. c 29 s 405 are each amended to read as follows:

As used in this chapter:

(1) "Admission" means acceptance based on medical necessity, of a person as a patient.

(2) "Commitment" means the determination by a court that a person should be detained for a period of either evaluation or treatment, or both, in an inpatient or a less-restrictive setting.

(3) "Conditional release" means modification of a court-ordered commitment, which may be revoked upon violation of any of its terms.

(4) A "criminally insane" person means any person who has been acquitted of a crime charged by reason of insanity, and thereupon found to be a substantial danger to other persons or to present a substantial likelihood of committing criminal acts jeopardizing public safety or security unless kept under further control by the court or other persons or institutions.

(5) "Department" means the state department of social and health services.

(6) "Designated crisis responder" has the same meaning as provided in RCW 71.05.020.

(7) "Detention" or "detain" means the lawful confinement of a person, under the provisions of this chapter, pending evaluation.

(8) "Developmental disabilities professional" means a person who has specialized training and three years of experience in directly treating or working with persons with developmental disabilities and is a psychiatrist or psychologist, or a social worker, and such other developmental disabilities professionals as may be defined by rules adopted by the secretary.

(9) "Developmental disability" means the condition as defined in RCW 71A.10.020(5).

(10) "Discharge" means the termination of hospital medical authority. The commitment may remain in place, be terminated, or be amended by court order.

(11) "Furlough" means an authorized leave of absence for a resident of a state institution operated by the department designated for the custody, care, and treatment of the criminally insane, consistent with an order of conditional release from the court under this chapter, without any requirement that the resident be accompanied by, or be in the custody of, any law enforcement or institutional staff, while on such unescorted leave.

(12) "Habilitative services" means those services provided by program personnel to assist persons in acquiring and maintaining life skills and in raising their levels of physical, mental, social, and vocational functioning. Habilitative services include education, training for employment, and therapy. The habilitative process shall be undertaken with recognition of the risk to the public safety presented by the person being assisted as manifested by prior charged criminal conduct.

(13) "History of one or more violent acts" means violent acts committed during: (a) The ten-year period of time prior to the filing of criminal charges; plus (b) the amount of time equal to time spent during the ten-year period in a mental health facility or in confinement as a result of a criminal conviction.

(14) "Immediate family member" means a spouse, child, stepchild, parent, stepparent, grandparent, sibling, or domestic partner.

(15) "Incompetency" means a person lacks the capacity to understand the nature of the proceedings against him or her or to assist in his or her own defense as a result of mental disease or defect.

(16) "Indigent" means any person who is financially unable to obtain counsel or other necessary expert or professional services without causing substantial hardship to the person or his or her family.

(17) "Individualized service plan" means a plan prepared by a developmental disabilities professional with other professionals as a team, for an individual with developmental disabilities, which shall state:

(a) The nature of the person's specific problems, prior charged criminal behavior, and habilitation needs;

(b) The conditions and strategies necessary to achieve the purposes of habilitation;

(c) The intermediate and long-range goals of the habilitation program, with a projected timetable for the attainment;

(d) The rationale for using this plan of habilitation to achieve those intermediate and long-range goals;

(e) The staff responsible for carrying out the plan;

(f) Where relevant in light of past criminal behavior and due consideration for public safety, the criteria for proposed movement to less-restrictive settings, criteria for proposed eventual release, and a projected possible date for release; and

(g) The type of residence immediately anticipated for the person and possible future types of residences.

(18) "Professional person" means:

(a) A psychiatrist licensed as a physician and surgeon in this state who has, in addition, completed three years of graduate training in psychiatry in a program approved by the American medical association or the American osteopathic association and is certified or eligible to be certified by the American board of psychiatry and neurology or the American osteopathic board of neurology and psychiatry;

(b) A psychologist licensed as a psychologist pursuant to chapter 18.83 RCW; or

(c) A social worker with a master's or further advanced degree from a social work educational program accredited and approved as provided in RCW 18.320.010.

~~(19) ("Registration records" include all the records of the department, behavioral health organizations, treatment facilities, and other persons providing services to the department, county departments, or facilities which identify persons who are receiving or who at any time have received services for mental illness.~~

~~(20))~~ "Release" means legal termination of the court-ordered commitment under the provisions of this chapter.

~~((21))~~ (20) "Secretary" means the secretary of the department of social and health services or his or her designee.

~~((22))~~ (21) "Treatment" means any currently standardized medical or mental health procedure including medication.

~~((23))~~ (22) "Treatment records" include registration and all other records concerning persons who are receiving or who at any time have received services for mental illness, which are maintained by the department, by behavioral health administrative services organizations and their staffs, by managed care organizations and their staffs, and by treatment facilities. Treatment records do not include notes or records maintained for personal use by a person providing treatment services for the department, behavioral health administrative services organizations, managed care organizations, or a treatment facility if the notes or records are not available to others.

~~((24))~~ (23) "Violent act" means behavior that: (a)(i) Resulted in; (ii) if completed as intended would have resulted in; or (iii) was threatened to be carried out by a person who had the intent and opportunity to carry out the threat and would have resulted in, homicide, nonfatal injuries, or substantial damage to property; or (b) recklessly creates an immediate risk of serious physical injury to another person. As used in this subsection, "nonfatal injuries" means physical pain or injury, illness, or an impairment of physical condition. "Nonfatal

injuries" shall be construed to be consistent with the definition of "bodily injury," as defined in RCW 9A.04.110.

Sec. 5006. RCW 10.77.065 and 2016 sp.s. c 29 s 409 are each amended to read as follows:

(1)(a)(i) The expert conducting the evaluation shall provide his or her report and recommendation to the court in which the criminal proceeding is pending. For a competency evaluation of a defendant who is released from custody, if the evaluation cannot be completed within twenty-one days due to a lack of cooperation by the defendant, the evaluator shall notify the court that he or she is unable to complete the evaluation because of such lack of cooperation.

(ii) A copy of the report and recommendation shall be provided to the designated crisis responder, the prosecuting attorney, the defense attorney, and the professional person at the local correctional facility where the defendant is being held, or if there is no professional person, to the person designated under (a)(iv) of this subsection. Upon request, the evaluator shall also provide copies of any source documents relevant to the evaluation to the designated crisis responder.

(iii) Any facility providing inpatient services related to competency shall discharge the defendant as soon as the facility determines that the defendant is competent to stand trial. Discharge shall not be postponed during the writing and distribution of the evaluation report. Distribution of an evaluation report by a facility providing inpatient services shall ordinarily be accomplished within two working days or less following the final evaluation of the defendant. If the defendant is discharged to the custody of a local correctional facility, the local correctional facility must continue the medication regimen prescribed by the facility, when clinically appropriate, unless the defendant refuses to cooperate with medication and an involuntary medication order by the court has not been entered.

(iv) If there is no professional person at the local correctional facility, the local correctional facility shall designate a professional person as defined in RCW 71.05.020 or, in cooperation with the behavioral health administrative services organization, a professional person at the behavioral health administrative services organization to receive the report and recommendation.

(v) Upon commencement of a defendant's evaluation in the local correctional facility, the local correctional facility must notify the evaluator of the name of the professional person, or person designated under (a)(iv) of this subsection, to receive the report and recommendation.

(b) If the evaluator concludes, under RCW 10.77.060(3)(f), the person should be evaluated by a designated crisis responder under chapter 71.05 RCW, the court shall order such evaluation be conducted prior to release from confinement when the person is acquitted or convicted and sentenced to confinement for twenty-four months or less, or when charges are dismissed pursuant to a finding of incompetent to stand trial.

(2) The designated crisis responder shall provide written notification within twenty-four hours of the results of the determination whether to commence proceedings under chapter 71.05 RCW. The notification shall be provided to the persons identified in subsection (1)(a) of this section.

(3) The prosecuting attorney shall provide a copy of the results of any proceedings commenced by the designated crisis responder under subsection (2) of this section to the secretary.

(4) A facility conducting a civil commitment evaluation under RCW 10.77.086(4) or 10.77.088(1)(c)(ii) that makes a determination to release the person instead of filing a civil commitment petition must provide written notice to the prosecutor and defense attorney at least twenty-four hours prior to release. The notice may be given by email, facsimile, or other means reasonably likely to communicate the information immediately.

(5) The fact of admission and all information and records compiled, obtained, or maintained in the course of providing services under this chapter may also be disclosed to the courts solely to prevent the entry of any evaluation or treatment order that is inconsistent with any order entered under chapter 71.05 RCW.

Sec. 5007. RCW 13.40.165 and 2016 c 106 s 3 are each amended to read as follows:

(1) The purpose of this disposition alternative is to ensure that successful treatment options to reduce recidivism are available to eligible youth, pursuant to RCW ((70.96A.520)) 71.24.615. It is also the purpose of the disposition alternative to assure that minors in need of ((~~chemical dependency~~)) substance use disorder, mental health, and/or co-occurring disorder treatment receive an appropriate continuum of culturally relevant care and treatment, including prevention and early intervention, self-directed care, parent-directed care, and residential treatment. To facilitate the continuum of care and treatment to minors in out-of-home placements, all divisions of the department that provide these services to minors shall jointly plan and deliver these services. It is also the purpose of the disposition alternative to protect the rights of minors against needless hospitalization and deprivations of liberty and to enable treatment decisions to be made in response to clinical needs and in accordance with sound professional judgment. The mental health, substance abuse, and co-occurring disorder treatment providers shall, to the extent possible, offer services that involve minors' parents, guardians, and family.

(2) The court must consider eligibility for the ((~~chemical dependency~~)) substance use disorder or mental health disposition alternative when a juvenile offender is subject to a standard range disposition of local sanctions or 15 to 36 weeks of confinement and has not committed an A- or B+ offense, other than a first time B+ offense under chapter 69.50 RCW. The court, on its own motion or the motion of the state or the respondent if the evidence shows that the offender may be chemically dependent, substance abusing, or has significant mental health or co-occurring disorders may order an examination by a ((~~chemical dependency~~)) substance use disorder counselor from a ((~~chemical dependency~~)) substance use disorder treatment facility approved under chapter 70.96A RCW or a mental health professional as defined in chapter 71.34 RCW to determine if the youth is chemically dependent, substance abusing, or suffers from significant mental health or co-occurring disorders. The offender shall pay the cost of any examination ordered under this subsection unless the court finds that the offender is indigent and no third party insurance coverage is available, in which case the state shall pay the cost.

(3) The report of the examination shall include at a minimum the following: The respondent's version of the facts and the official version of the facts, the respondent's offense history, an assessment of drug-alcohol problems, mental health diagnoses, previous treatment attempts, the respondent's social, educational, and employment situation, and other evaluation measures used. The report shall set forth the sources of the examiner's information.

(4) The examiner shall assess and report regarding the respondent's relative risk to the community. A proposed treatment plan shall be provided and shall include, at a minimum:

- (a) Whether inpatient and/or outpatient treatment is recommended;
- (b) Availability of appropriate treatment;
- (c) Monitoring plans, including any requirements regarding living conditions, lifestyle requirements, and monitoring by family members, legal guardians, or others;
- (d) Anticipated length of treatment; and
- (e) Recommended crime-related prohibitions.

(5) The court on its own motion may order, or on a motion by the state or the respondent shall order, a second examination. The evaluator shall be selected by the party making the motion. The requesting party shall pay the cost of any examination ordered under this subsection unless the requesting party is the offender and the court finds that the offender is indigent and no third party insurance coverage is available, in which case the state shall pay the cost.

(6)(a) After receipt of reports of the examination, the court shall then consider whether the offender and the community will benefit from use of this disposition alternative and consider the victim's opinion whether the offender should receive a treatment disposition under this section.

(b) If the court determines that this disposition alternative is appropriate, then the court shall impose the standard range for the offense, or if the court concludes, and enters reasons for its conclusion, that such disposition would effectuate a manifest injustice, the court shall impose a disposition above the standard range as indicated in option D of RCW 13.40.0357 if the disposition is an increase from the standard range and the confinement of the offender does not exceed a maximum of fifty-two weeks, suspend execution of the disposition, and place the offender on community supervision for up to one year. As a condition of the suspended disposition, the court shall require the offender to undergo available outpatient drug/alcohol, mental health, or co-occurring disorder treatment and/or inpatient mental health or drug/alcohol treatment. The court shall only order inpatient treatment under this section if a funded bed is available. If the inpatient treatment is longer than ninety days, the court shall hold a review hearing every thirty days beyond the initial ninety days. The respondent may appear telephonically at these review hearings if in compliance with treatment. As a condition of the suspended disposition, the court may impose conditions of community supervision and other sanctions, including up to thirty days of confinement, one hundred fifty hours of community restitution, and payment of legal financial obligations and restitution.

(7) The mental health/co-occurring disorder/drug/alcohol treatment provider shall submit monthly reports on the respondent's progress in treatment to the court and the parties. The reports shall reference the treatment plan and include at a minimum the following: Dates of attendance, respondent's

compliance with requirements, treatment activities, the respondent's relative progress in treatment, and any other material specified by the court at the time of the disposition.

At the time of the disposition, the court may set treatment review hearings as the court considers appropriate.

If the offender violates any condition of the disposition or the court finds that the respondent is failing to make satisfactory progress in treatment, the court may impose sanctions pursuant to RCW 13.40.200 or revoke the suspension and order execution of the disposition. The court shall give credit for any confinement time previously served if that confinement was for the offense for which the suspension is being revoked.

(8) For purposes of this section, "victim" means any person who has sustained emotional, psychological, physical, or financial injury to person or property as a direct result of the offense charged. "Victim" may also include a known parent or guardian of a victim who is a minor child or is not a minor child but is incapacitated, incompetent, disabled, or deceased.

(9) Whenever a juvenile offender is entitled to credit for time spent in detention prior to a dispositional order, the dispositional order shall specifically state the number of days of credit for time served.

(10) In no case shall the term of confinement imposed by the court at disposition exceed that to which an adult could be subjected for the same offense.

(11) A disposition under this section is not appealable under RCW 13.40.230.

(12) Subject to funds appropriated for this specific purpose, the costs incurred by the juvenile courts for the mental health, ~~((chemical dependency))~~ substance use disorder, and/or co-occurring disorder evaluations, treatment, and costs of supervision required under this section shall be paid by the ~~((department))~~ health care authority.

Sec. 5008. RCW 36.28A.440 and 2018 c 142 s 1 are each amended to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the Washington association of sheriffs and police chiefs shall develop and implement a mental health field response grant program. The purpose of the program is to assist local law enforcement agencies to establish and expand mental health field response capabilities, utilizing mental health professionals to professionally, humanely, and safely respond to crises involving persons with behavioral health issues with treatment, diversion, and reduced incarceration time as primary goals. A portion of the grant funds may also be used to develop data management capability to support the program.

(2) Grants must be awarded to local law enforcement agencies based on locally developed proposals to incorporate mental health professionals into the agencies' mental health field response planning and response. Two or more agencies may submit a joint grant proposal to develop their mental health field response proposals. Proposals must provide a plan for improving mental health field response and diversion from incarceration through modifying or expanding law enforcement practices in partnership with mental health professionals. A peer review panel appointed by the Washington association of sheriffs and police chiefs in consultation with ~~((integrated))~~ managed care organizations and

behavioral health administrative services organizations must review the grant applications. Once the Washington association of sheriffs and police chiefs certifies that the application satisfies the proposal criteria, the grant funds will be distributed. To the extent possible, at least one grant recipient agency should be from the east side of the state and one from the west side of the state with the crest of the Cascades being the dividing line. The Washington association of sheriffs and police chiefs shall make every effort to fund at least eight grants per fiscal year with funding provided for this purpose from all allowable sources under this section. The Washington association of sheriffs and police chiefs may prioritize grant applications that include local matching funds. Grant recipients must be selected and receiving funds no later than October 1, 2018.

(3) Grant recipients must include at least one mental health professional who will perform professional services under the plan. A mental health professional may assist patrolling officers in the field or in an on-call capacity, provide preventive, follow-up, training on mental health field response best practices, or other services at the direction of the local law enforcement agency. Nothing in this subsection (3) limits the mental health professional's participation to field patrol. Grant recipients are encouraged to coordinate with local public safety answering points to maximize the goals of the program.

(4) Within existing resources, the Washington association of sheriffs and police chiefs shall:

(a) Consult with the department of social and health services research and data analysis unit to establish data collection and reporting guidelines for grant recipients. The data will be used to study and evaluate whether the use of mental health field response programs improves outcomes of interactions with persons experiencing behavioral health crises, including reducing rates of violence and harm, reduced arrests, and jail or emergency room usage;

(b) Consult with the (~~department of social and health services behavioral health administration~~) health care authority, the department of health, and the managed care system to develop requirements for participating mental health professionals; and

(c) Coordinate with public safety answering points, behavioral health, and the department of social and health services to develop and incorporate telephone triage criteria or dispatch protocols to assist with mental health, law enforcement, and emergency medical responses involving mental health situations.

(5) The Washington association of sheriffs and police chiefs shall submit an annual report to the governor and appropriate committees of the legislature on the program. The report must include information on grant recipients, use of funds, participation of mental health professionals, and feedback from the grant recipients by December 1st of each year the program is funded.

(6) Grant recipients shall develop and provide or arrange for training necessary for mental health professionals to operate successfully and competently in partnership with law enforcement agencies. The training must provide the professionals with a working knowledge of law enforcement procedures and tools sufficient to provide for the safety of the professionals, partnered law enforcement officers, and members of the public.

(7) Nothing in this section prohibits the Washington association of sheriffs and police chiefs from soliciting or accepting private funds to support the program created in this section.

Sec. 5009. RCW 41.05.690 and 2014 c 223 s 6 are each amended to read as follows:

(1) There is created a performance measures committee, the purpose of which is to identify and recommend standard statewide measures of health performance to inform public and private health care purchasers and to propose benchmarks to track costs and improvements in health outcomes.

(2) Members of the committee must include representation from state agencies, small and large employers, health plans, patient groups, federally recognized tribes, consumers, academic experts on health care measurement, hospitals, physicians, and other providers. The governor shall appoint the members of the committee, except that a statewide association representing hospitals may appoint a member representing hospitals, and a statewide association representing physicians may appoint a member representing physicians. The governor shall ensure that members represent diverse geographic locations and both rural and urban communities. The chief executive officer of the lead organization must also serve on the committee. The committee must be chaired by the director of the authority.

(3) The committee shall develop a transparent process for selecting performance measures, and the process must include opportunities for public comment.

(4) By January 1, 2015, the committee shall submit the performance measures to the authority. The measures must include dimensions of:

- (a) Prevention and screening;
- (b) Effective management of chronic conditions;
- (c) Key health outcomes;
- (d) Care coordination and patient safety; and
- (e) Use of the lowest cost, highest quality care for preventive care and acute and chronic conditions.

(5) The committee shall develop a measure set that:

- (a) Is of manageable size;
- (b) Is based on readily available claims and clinical data;
- (c) Gives preference to nationally reported measures and, where nationally reported measures may not be appropriate, measures used by state agencies that purchase health care or commercial health plans;

(d) Focuses on the overall performance of the system, including outcomes and total cost;

(e) Is aligned with the governor's performance management system measures and common measure requirements specific to medicaid delivery systems under RCW 70.320.020 and 43.20A.895 ([as recodified by this act](#));

(f) Considers the needs of different stakeholders and the populations served; and

(g) Is usable by multiple payers, providers, hospitals, purchasers, public health, and communities as part of health improvement, care improvement, provider payment systems, benefit design, and administrative simplification for providers and hospitals.

(6) State agencies shall use the measure set developed under this section to inform and set benchmarks for purchasing decisions.

(7) The committee shall establish a public process to periodically evaluate the measure set and make additions or changes to the measure set as needed.

Sec. 5010. RCW 43.20A.895 and 2014 c 225 s 64 are each amended to read as follows:

(1) The systems responsible for financing, administration, and delivery of publicly funded mental health and ~~((chemical dependency))~~ substance use disorder services to adults must be designed and administered to achieve improved outcomes for adult clients served by those systems through increased use and development of evidence-based, research-based, and promising practices, as defined in RCW 71.24.025. For purposes of this section, client outcomes include: Improved health status; increased participation in employment and education; reduced involvement with the criminal justice system; enhanced safety and access to treatment for forensic patients; reduction in avoidable utilization of and costs associated with hospital, emergency room, and crisis services; increased housing stability; improved quality of life, including measures of recovery and resilience; and decreased population level disparities in access to treatment and treatment outcomes.

(2) The ~~((department and the health care))~~ authority must implement a strategy for the improvement of the ~~((adult))~~ behavioral health system.

~~((a) The department must establish a steering committee that includes at least the following members: Behavioral health service recipients and their families; local government; representatives of behavioral health organizations; representatives of county coordinators; law enforcement; city and county jails; tribal representatives; behavioral health service providers, including at least one chemical dependency provider and at least one psychiatric advanced registered nurse practitioner; housing providers; medicaid managed care plan representatives; long-term care service providers; organizations representing health care professionals providing services in mental health settings; the Washington state hospital association; the Washington state medical association; individuals with expertise in evidence-based and research-based behavioral health service practices; and the health care authority.~~

~~(b) The adult behavioral health system improvement strategy must include:~~

~~(i) An assessment of the capacity of the current publicly funded behavioral health services system to provide evidence-based, research-based, and promising practices;~~

~~(ii) Identification, development, and increased use of evidence-based, research-based, and promising practices;~~

~~(iii) Design and implementation of a transparent quality management system, including analysis of current system capacity to implement outcomes reporting and development of baseline and improvement targets for each outcome measure provided in this section;~~

~~(iv) Identification and phased implementation of service delivery, financing, or other strategies that will promote improvement of the behavioral health system as described in this section and incentivize the medical care, behavioral health, and long-term care service delivery systems to achieve the improvements described in this section and collaborate across systems. The strategies must include phased implementation of public reporting of outcome and performance~~

~~measures in a form that allows for comparison of performance and levels of improvement between geographic regions of Washington; and~~

~~(v) Identification of effective methods for promoting workforce capacity, efficiency, stability, diversity, and safety.~~

~~(e) The department must seek private foundation and federal grant funding to support the adult behavioral health system improvement strategy.~~

~~(d) By May 15, 2014, the Washington state institute for public policy, in consultation with the department, the University of Washington evidence-based practice institute, the University of Washington alcohol and drug abuse institute, and the Washington institute for mental health research and training, shall prepare an inventory of evidence-based, research-based, and promising practices for prevention and intervention services pursuant to subsection (1) of this section. The department shall use the inventory in preparing the behavioral health improvement strategy. The department shall provide the institute with data necessary to complete the inventory.~~

~~(c) By August 1, 2014, the department must report to the governor and the relevant fiscal and policy committees of the legislature on the status of implementation of the behavioral health improvement strategy, including strategies developed or implemented to date, timelines, and costs to accomplish phased implementation of the adult behavioral health system improvement strategy.~~

~~(3) The department must contract for the services of an independent consultant to review the provision of forensic mental health services in Washington state and provide recommendations as to whether and how the state's forensic mental health system should be modified to provide an appropriate treatment environment for individuals with mental disorders who have been charged with a crime while enhancing the safety and security of the public and other patients and staff at forensic treatment facilities. By August 1, 2014, the department must submit a report regarding the recommendations of the independent consultant to the governor and the relevant fiscal and policy committees of the legislature.)~~

Sec. 5011. RCW 43.20C.030 and 2014 c 225 s 67 are each amended to read as follows:

The department of social and health services, in consultation with a university-based evidence-based practice institute entity in Washington, the Washington partnership council on juvenile justice, the child mental health systems of care planning committee, the children, youth, and family advisory committee, the health care authority, the Washington state racial disproportionality advisory committee, a university-based child welfare research entity in Washington state, behavioral health administrative services organizations established in chapter 71.24 RCW, managed care organizations contracted with the authority under chapter 74.09 RCW, the Washington association of juvenile court administrators, and the Washington state institute for public policy, shall:

(1) Develop strategies to use unified and coordinated case plans for children, youth, and their families who are or are likely to be involved in multiple systems within the department;

(2) Use monitoring and quality control procedures designed to measure fidelity with evidence-based and research-based prevention and treatment programs; and

(3) Utilize any existing data reporting and system of quality management processes at the state and local level for monitoring the quality control and fidelity of the implementation of evidence-based and research-based practices.

Sec. 5012. RCW 43.185.060 and 2014 c 225 s 61 are each amended to read as follows:

Organizations that may receive assistance from the department under this chapter are local governments, local housing authorities, behavioral health administrative services organizations established under chapter 71.24 RCW, nonprofit community or neighborhood-based organizations, federally recognized Indian tribes in the state of Washington, and regional or statewide nonprofit housing assistance organizations.

Eligibility for assistance from the department under this chapter also requires compliance with the revenue and taxation laws, as applicable to the recipient, at the time the grant is made.

Sec. 5013. RCW 43.185.070 and 2015 c 155 s 2 are each amended to read as follows:

(1) During each calendar year in which funds from the housing trust fund or other legislative appropriations are available for use by the department for the housing assistance program, the department must announce to all known interested parties, and through major media throughout the state, a grant and loan application period of at least ninety days' duration. This announcement must be made as often as the director deems appropriate for proper utilization of resources. The department must then promptly grant as many applications as will utilize available funds less appropriate administrative costs of the department as provided in RCW 43.185.050.

(2) In awarding funds under this chapter, the department must:

(a) Provide for a geographic distribution on a statewide basis; and

(b) Until June 30, 2013, consider the total cost and per-unit cost of each project for which an application is submitted for funding under RCW 43.185.050(2) (a) and (j), as compared to similar housing projects constructed or renovated within the same geographic area.

(3) The department, with advice and input from the affordable housing advisory board established in RCW 43.185B.020, or a subcommittee of the affordable housing advisory board, must report recommendations for awarding funds in a cost-effective manner. The report must include an implementation plan, timeline, and any other items the department identifies as important to consider to the legislature by December 1, 2012.

(4) The department must give first priority to applications for projects and activities which utilize existing privately owned housing stock including privately owned housing stock purchased by nonprofit public development authorities and public housing authorities as created in chapter 35.82 RCW. As used in this subsection, privately owned housing stock includes housing that is acquired by a federal agency through a default on the mortgage by the private owner. Such projects and activities must be evaluated under subsection (5) of this section. Second priority must be given to activities and projects which

utilize existing publicly owned housing stock. All projects and activities must be evaluated by some or all of the criteria under subsection (5) of this section, and similar projects and activities shall be evaluated under the same criteria.

(5) The department must give preference for applications based on some or all of the criteria under this subsection, and similar projects and activities must be evaluated under the same criteria:

(a) The degree of leveraging of other funds that will occur;

(b) The degree of commitment from programs to provide necessary habilitation and support services for projects focusing on special needs populations;

(c) Recipient contributions to total project costs, including allied contributions from other sources such as professional, craft and trade services, and lender interest rate subsidies;

(d) Local government project contributions in the form of infrastructure improvements, and others;

(e) Projects that encourage ownership, management, and other project-related responsibility opportunities;

(f) Projects that demonstrate a strong probability of serving the original target group or income level for a period of at least twenty-five years;

(g) The applicant has the demonstrated ability, stability and resources to implement the project;

(h) Projects which demonstrate serving the greatest need;

(i) Projects that provide housing for persons and families with the lowest incomes;

(j) Projects serving special needs populations which are under statutory mandate to develop community housing;

(k) Project location and access to employment centers in the region or area;

(l) Projects that provide employment and training opportunities for disadvantaged youth under a youthbuild or youthbuild-type program as defined in RCW 50.72.020;

(m) Project location and access to available public transportation services; and

(n) Projects involving collaborative partnerships between local school districts and either public housing authorities or nonprofit housing providers, that help children of low-income families succeed in school. To receive this preference, the local school district must provide an opportunity for community members to offer input on the proposed project at the first scheduled school board meeting following submission of the grant application to the department.

~~((6) The department may only approve applications for projects for persons with mental illness that are consistent with a behavioral health organization six-year capital and operating plan.))~~

Sec. 5014. RCW 43.185.110 and 2014 c 225 s 63 are each amended to read as follows:

The affordable housing advisory board established in RCW 43.185B.020 shall advise the director on housing needs in this state, including housing needs for persons with mental illness or developmental disabilities or youth who are blind or deaf or otherwise disabled, operational aspects of the grant and loan program or revenue collection programs established by this chapter, and implementation of the policy and goals of this chapter. Such advice shall be

consistent with policies and plans developed by behavioral health administrative services organizations according to chapter 71.24 RCW for individuals with mental illness and the developmental disabilities planning council for individuals with developmental disabilities.

Sec. 5015. RCW 43.185C.340 and 2016 c 157 s 3 are each amended to read as follows:

(1) Subject to funds appropriated for this specific purpose, the department, in consultation with the office of the superintendent of public instruction, shall administer a grant program that links homeless students and their families with stable housing located in the homeless student's school district. The goal of the program is to provide educational stability for homeless students by promoting housing stability.

(2) The department, working with the office of the superintendent of public instruction, shall develop a competitive grant process to make grant awards of no more than one hundred thousand dollars per school, not to exceed five hundred thousand dollars per school district, to school districts partnered with eligible organizations on implementation of the proposal. For the purposes of this subsection, "eligible organization" means any local government, local housing authority, (~~regional support network~~) behavioral health administrative services organization established under chapter 71.24 RCW, nonprofit community or neighborhood-based organization, federally recognized Indian tribe in the state of Washington, or regional or statewide nonprofit housing assistance organization. Applications for the grant program must include contractual agreements between the housing providers and school districts defining the responsibilities and commitments of each party to identify, house, and support homeless students.

(3) The grants awarded to school districts shall not exceed fifteen school districts per school year. In determining which partnerships will receive grants, preference must be given to districts with a demonstrated commitment of partnership and history with eligible organizations.

(4) Activities eligible for assistance under this grant program include but are not limited to:

(a) Rental assistance, which includes utilities, security and utility deposits, first and last month's rent, rental application fees, moving expenses, and other eligible expenses to be determined by the department;

(b) Transportation assistance, including gasoline assistance for families with vehicles and bus passes;

(c) Emergency shelter; and

(d) Housing stability case management.

(5) All beneficiaries of funds from the grant program must be unaccompanied youth or from very low-income households. For the purposes of this subsection, "very low-income household" means an unaccompanied youth or family or unrelated persons living together whose adjusted income is less than fifty percent of the median family income, adjusted for household size, for the county where the grant recipient is located.

(6)(a) Grantee school districts must compile and report information to the department. The department shall report to the legislature the findings of the grantee, the housing stability of the homeless families, the academic performance of the grantee population, and any related policy recommendations.

(b) Data on all program participants must be entered into and tracked through the Washington homeless client management information system as described in RCW 43.185C.180.

(7) In order to ensure that school districts are meeting the requirements of an approved program for homeless students, the office of the superintendent of public instruction shall monitor the programs at least once every two years. Monitoring shall begin during the 2016-17 school year.

(8) Any program review and monitoring under this section may be conducted concurrently with other program reviews and monitoring conducted by the department. In its review, the office of the superintendent of public instruction shall monitor program components that include but need not be limited to the process used by the district to identify and reach out to homeless students, assessment data and other indicators to determine how well the district is meeting the academic needs of homeless students, district expenditures used to expand opportunities for these students, and the academic progress of students under the program.

Sec. 5016. RCW 43.380.050 and 2016 c 188 s 6 are each amended to read as follows:

(1) In addition to other powers and duties prescribed in this chapter, the council is empowered to:

(a) Meet at such times and places as necessary;

(b) Advise the legislature and the governor on issues relating to reentry and reintegration of offenders;

(c) Review, study, and make policy and funding recommendations on issues directly and indirectly related to reentry and reintegration of offenders in Washington state, including, but not limited to: Correctional programming and other issues in state and local correctional facilities; housing; employment; education; treatment; and other issues contributing to recidivism;

(d) Apply for, receive, use, and leverage public and private grants as well as specifically appropriated funds to establish, manage, and promote initiatives and programs related to successful reentry and reintegration of offenders;

(e) Contract for services as it deems necessary in order to carry out initiatives and programs;

(f) Adopt policies and procedures to facilitate the orderly administration of initiatives and programs;

(g) Create committees and subcommittees of the council as is necessary for the council to conduct its business; and

(h) Create and consult with advisory groups comprising nonmembers. Advisory groups are not eligible for reimbursement under RCW 43.380.060.

(2) Subject to the availability of amounts appropriated for this specific purpose, the council may select an executive director to administer the business of the council.

(a) The council may delegate to the executive director by resolution all duties necessary to efficiently carry on the business of the council. Approval by a majority vote of the council is required for any decisions regarding employment of the executive director.

(b) The executive director may not be a member of the council while serving as executive director.

(c) Employment of the executive director must be confirmed by the senate and terminates after a term of three years. At the end of a term, the council may consider hiring the executive director for an additional three-year term or an extension of a specified period less than three years. The council may fix the compensation of the executive director.

(d) Subject to the availability of amounts appropriated for this specific purpose, the executive director shall reside in and be funded by the department.

(3) In conducting its business, the council shall solicit input and participation from stakeholders interested in reducing recidivism, promoting public safety, and improving community conditions for people reentering the community from incarceration. The council shall consult: The two largest caucuses in the house of representatives; the two largest caucuses in the senate; the governor; local governments; educators; ~~((mental health and substance abuse))~~ behavioral health providers; behavioral health administrative services organizations; managed care organizations; city and county jails; the department of corrections; specialty courts; persons with expertise in evidence-based and research-based reentry practices; and persons with criminal histories and their families.

(4) The council shall submit to the governor and appropriate committees of the legislature a preliminary report of its activities and recommendations by December 1st of its first year of operation, and every two years thereafter.

Sec. 5017. RCW 48.01.220 and 2014 c 225 s 69 are each amended to read as follows:

The activities and operations of ~~((mental health))~~ behavioral health administrative services organizations, ~~((to the extent they pertain to the operation of a medical assistance managed care system in accordance with chapters 71.24 and 74.09 RCW))~~ as defined in RCW 71.24.025, are exempt from the requirements of this title.

Sec. 5018. RCW 66.08.180 and 2011 c 325 s 7 are each amended to read as follows:

Except as provided in RCW 66.24.290(1), moneys in the liquor revolving fund shall be distributed by the board at least once every three months in accordance with RCW 66.08.190, 66.08.200 and 66.08.210. However, the board shall reserve from distribution such amount not exceeding five hundred thousand dollars as may be necessary for the proper administration of this title.

(1) All license fees, penalties, and forfeitures derived under chapter 13, Laws of 1935 from spirits, beer, and wine restaurant; spirits, beer, and wine private club; hotel; spirits, beer, and wine nightclub; spirits, beer, and wine VIP airport lounge; and sports entertainment facility licenses shall every three months be disbursed by the board as follows:

(a) Three hundred thousand dollars per biennium, to the death investigations account for the state toxicology program pursuant to RCW 68.50.107; and

(b) Of the remaining funds:

(i) 6.06 percent to the University of Washington and 4.04 percent to Washington State University for alcoholism and drug abuse research and for the dissemination of such research; and

(ii) 89.9 percent to the general fund to be used by the (~~department of social and health services~~) health care authority solely to carry out the purposes of RCW (~~70.96A.050~~) 71.24.535;

(2) The first fifty-five dollars per license fee provided in RCW 66.24.320 and 66.24.330 up to a maximum of one hundred fifty thousand dollars annually shall be disbursed every three months by the board to the general fund to be used for juvenile alcohol and drug prevention programs for kindergarten through third grade to be administered by the superintendent of public instruction;

(3) Twenty percent of the remaining total amount derived from license fees pursuant to RCW 66.24.320, 66.24.330, 66.24.350, and 66.24.360, shall be transferred to the general fund to be used by the (~~department of social and health services~~) health care authority solely to carry out the purposes of RCW (~~70.96A.050~~) 71.24.535; and

(4) One-fourth cent per liter of the tax imposed by RCW 66.24.210 shall every three months be disbursed by the board to Washington State University solely for wine and wine grape research, extension programs related to wine and wine grape research, and resident instruction in both wine grape production and the processing aspects of the wine industry in accordance with RCW 28B.30.068. The director of financial management shall prescribe suitable accounting procedures to ensure that the funds transferred to the general fund to be used by the department of social and health services and appropriated are separately accounted for.

Sec. 5019. RCW 70.02.010 and 2018 c 201 s 8001 are each amended to read as follows:

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

(1) "Admission" has the same meaning as in RCW 71.05.020.

(2) "Audit" means an assessment, evaluation, determination, or investigation of a health care provider by a person not employed by or affiliated with the provider to determine compliance with:

(a) Statutory, regulatory, fiscal, medical, or scientific standards;

(b) A private or public program of payments to a health care provider; or

(c) Requirements for licensing, accreditation, or certification.

(3) "Authority" means the Washington state health care authority.

(4) "Commitment" has the same meaning as in RCW 71.05.020.

(5) "Custody" has the same meaning as in RCW 71.05.020.

(6) "Deidentified" means health information that does not identify an individual and with respect to which there is no reasonable basis to believe that the information can be used to identify an individual.

(7) "Department" means the department of social and health services.

(8) "Designated crisis responder" has the same meaning as in RCW 71.05.020 or 71.34.020, as applicable.

(9) "Detention" or "detain" has the same meaning as in RCW 71.05.020.

(10) "Directory information" means information disclosing the presence, and for the purpose of identification, the name, location within a health care facility, and the general health condition of a particular patient who is a patient in a health care facility or who is currently receiving emergency health care in a health care facility.

(11) "Discharge" has the same meaning as in RCW 71.05.020.

(12) "Evaluation and treatment facility" has the same meaning as in RCW 71.05.020 or 71.34.020, as applicable.

(13) "Federal, state, or local law enforcement authorities" means an officer of any agency or authority in the United States, a state, a tribe, a territory, or a political subdivision of a state, a tribe, or a territory who is empowered by law to: (a) Investigate or conduct an official inquiry into a potential criminal violation of law; or (b) prosecute or otherwise conduct a criminal proceeding arising from an alleged violation of law.

(14) "General health condition" means the patient's health status described in terms of "critical," "poor," "fair," "good," "excellent," or terms denoting similar conditions.

(15) "Health care" means any care, service, or procedure provided by a health care provider:

(a) To diagnose, treat, or maintain a patient's physical or mental condition; or

(b) That affects the structure or any function of the human body.

(16) "Health care facility" means a hospital, clinic, nursing home, laboratory, office, or similar place where a health care provider provides health care to patients.

(17) "Health care information" means any information, whether oral or recorded in any form or medium, that identifies or can readily be associated with the identity of a patient and directly relates to the patient's health care, including a patient's deoxyribonucleic acid and identified sequence of chemical base pairs. The term includes any required accounting of disclosures of health care information.

(18) "Health care operations" means any of the following activities of a health care provider, health care facility, or third-party payor to the extent that the activities are related to functions that make an entity a health care provider, a health care facility, or a third-party payor:

(a) Conducting: Quality assessment and improvement activities, including outcomes evaluation and development of clinical guidelines, if the obtaining of generalizable knowledge is not the primary purpose of any studies resulting from such activities; population-based activities relating to improving health or reducing health care costs, protocol development, case management and care coordination, contacting of health care providers and patients with information about treatment alternatives; and related functions that do not include treatment;

(b) Reviewing the competence or qualifications of health care professionals, evaluating practitioner and provider performance and third-party payor performance, conducting training programs in which students, trainees, or practitioners in areas of health care learn under supervision to practice or improve their skills as health care providers, training of nonhealth care professionals, accreditation, certification, licensing, or credentialing activities;

(c) Underwriting, premium rating, and other activities relating to the creation, renewal, or replacement of a contract of health insurance or health benefits, and ceding, securing, or placing a contract for reinsurance of risk relating to claims for health care, including stop-loss insurance and excess of loss insurance, if any applicable legal requirements are met;

(d) Conducting or arranging for medical review, legal services, and auditing functions, including fraud and abuse detection and compliance programs;

(e) Business planning and development, such as conducting cost-management and planning-related analyses related to managing and operating the health care facility or third-party payor, including formulary development and administration, development, or improvement of methods of payment or coverage policies; and

(f) Business management and general administrative activities of the health care facility, health care provider, or third-party payor including, but not limited to:

(i) Management activities relating to implementation of and compliance with the requirements of this chapter;

(ii) Customer service, including the provision of data analyses for policy holders, plan sponsors, or other customers, provided that health care information is not disclosed to such policy holder, plan sponsor, or customer;

(iii) Resolution of internal grievances;

(iv) The sale, transfer, merger, or consolidation of all or part of a health care provider, health care facility, or third-party payor with another health care provider, health care facility, or third-party payor or an entity that following such activity will become a health care provider, health care facility, or third-party payor, and due diligence related to such activity; and

(v) Consistent with applicable legal requirements, creating deidentified health care information or a limited dataset for the benefit of the health care provider, health care facility, or third-party payor.

(19) "Health care provider" means a person who is licensed, certified, registered, or otherwise authorized by the law of this state to provide health care in the ordinary course of business or practice of a profession.

(20) "Human immunodeficiency virus" or "HIV" has the same meaning as in RCW 70.24.017.

(21) "Imminent" has the same meaning as in RCW 71.05.020.

(22) "Information and records related to mental health services" means a type of health care information that relates to all information and records compiled, obtained, or maintained in the course of providing services by a mental health service agency or mental health professional to persons who are receiving or have received services for mental illness. The term includes mental health information contained in a medical bill, registration records, as defined in RCW (~~71.05.020~~) 70.97.010, and all other records regarding the person maintained by the department, by the authority, by behavioral health administrative services organizations and their staff, managed care organizations contracted with the authority under chapter 74.09 RCW and their staff, and by treatment facilities. The term further includes documents of legal proceedings under chapter 71.05, 71.34, or 10.77 RCW, or somatic health care information. For health care information maintained by a hospital as defined in RCW 70.41.020 or a health care facility or health care provider that participates with a hospital in an organized health care arrangement defined under federal law, "information and records related to mental health services" is limited to information and records of services provided by a mental health professional or information and records of services created by a hospital-operated community behavioral health program as defined in RCW 71.24.025. The term does not include psychotherapy notes.

(23) "Information and records related to sexually transmitted diseases" means a type of health care information that relates to the identity of any person upon whom an HIV antibody test or other sexually transmitted infection test is performed, the results of such tests, and any information relating to diagnosis of or treatment for any confirmed sexually transmitted infections.

(24) "Institutional review board" means any board, committee, or other group formally designated by an institution, or authorized under federal or state law, to review, approve the initiation of, or conduct periodic review of research programs to assure the protection of the rights and welfare of human research subjects.

(25) "Legal counsel" has the same meaning as in RCW 71.05.020.

(26) "Local public health officer" has the same meaning as in RCW 70.24.017.

(27) "Maintain," as related to health care information, means to hold, possess, preserve, retain, store, or control that information.

(28) "Mental health professional" means a psychiatrist, psychologist, psychiatric advanced registered nurse practitioner, psychiatric nurse, or social worker, and such other mental health professionals as may be defined by rules adopted by the secretary of health under chapter 71.05 RCW, whether that person works in a private or public setting.

(29) "Mental health service agency" means a public or private agency that provides services to persons with mental disorders as defined under RCW 71.05.020 or 71.34.020 and receives funding from public sources. This includes evaluation and treatment facilities as defined in RCW 71.34.020, community mental health service delivery systems, or community behavioral health programs, as defined in RCW 71.24.025, and facilities conducting competency evaluations and restoration under chapter 10.77 RCW.

(30) "Minor" has the same meaning as in RCW 71.34.020.

(31) "Parent" has the same meaning as in RCW 71.34.020.

(32) "Patient" means an individual who receives or has received health care. The term includes a deceased individual who has received health care.

(33) "Payment" means:

(a) The activities undertaken by:

(i) A third-party payor to obtain premiums or to determine or fulfill its responsibility for coverage and provision of benefits by the third-party payor; or

(ii) A health care provider, health care facility, or third-party payor, to obtain or provide reimbursement for the provision of health care; and

(b) The activities in (a) of this subsection that relate to the patient to whom health care is provided and that include, but are not limited to:

(i) Determinations of eligibility or coverage, including coordination of benefits or the determination of cost-sharing amounts, and adjudication or subrogation of health benefit claims;

(ii) Risk adjusting amounts due based on enrollee health status and demographic characteristics;

(iii) Billing, claims management, collection activities, obtaining payment under a contract for reinsurance, including stop-loss insurance and excess of loss insurance, and related health care data processing;

(iv) Review of health care services with respect to medical necessity, coverage under a health plan, appropriateness of care, or justification of charges;

(v) Utilization review activities, including precertification and preauthorization of services, and concurrent and retrospective review of services; and

(vi) Disclosure to consumer reporting agencies of any of the following health care information relating to collection of premiums or reimbursement:

(A) Name and address;

(B) Date of birth;

(C) Social security number;

(D) Payment history;

(E) Account number; and

(F) Name and address of the health care provider, health care facility, and/or third-party payor.

(34) "Person" means an individual, corporation, business trust, estate, trust, partnership, association, joint venture, government, governmental subdivision or agency, or any other legal or commercial entity.

(35) "Professional person" has the same meaning as in RCW 71.05.020.

(36) "Psychiatric advanced registered nurse practitioner" has the same meaning as in RCW 71.05.020.

(37) "Psychotherapy notes" means notes recorded, in any medium, by a mental health professional documenting or analyzing the contents of conversations during a private counseling session or group, joint, or family counseling session, and that are separated from the rest of the individual's medical record. The term excludes mediation prescription and monitoring, counseling session start and stop times, the modalities and frequencies of treatment furnished, results of clinical tests, and any summary of the following items: Diagnosis, functional status, the treatment plan, symptoms, prognosis, and progress to date.

(38) "Reasonable fee" means the charges for duplicating or searching the record, but shall not exceed sixty-five cents per page for the first thirty pages and fifty cents per page for all other pages. In addition, a clerical fee for searching and handling may be charged not to exceed fifteen dollars. These amounts shall be adjusted biennially in accordance with changes in the consumer price index, all consumers, for Seattle-Tacoma metropolitan statistical area as determined by the secretary of health. However, where editing of records by a health care provider is required by statute and is done by the provider personally, the fee may be the usual and customary charge for a basic office visit.

(39) "Release" has the same meaning as in RCW 71.05.020.

(40) "Resource management services" has the same meaning as in RCW 71.05.020.

(41) "Serious violent offense" has the same meaning as in RCW 71.05.020.

(42) "Sexually transmitted infection" or "sexually transmitted disease" has the same meaning as "sexually transmitted disease" in RCW 70.24.017.

(43) "Test for a sexually transmitted disease" has the same meaning as in RCW 70.24.017.

(44) "Third-party payor" means an insurer regulated under Title 48 RCW authorized to transact business in this state or other jurisdiction, including a health care service contractor, and health maintenance organization; or an employee welfare benefit plan, excluding fitness or wellness plans; or a state or federal health benefit program.

(45) "Treatment" means the provision, coordination, or management of health care and related services by one or more health care providers or health care facilities, including the coordination or management of health care by a health care provider or health care facility with a third party; consultation between health care providers or health care facilities relating to a patient; or the referral of a patient for health care from one health care provider or health care facility to another.

(46) "Managed care organization" has the same meaning as provided in RCW 71.24.025.

Sec. 5020. RCW 70.02.230 and 2018 c 201 s 8002 are each amended to read as follows:

(1) Except as provided in this section, RCW 70.02.050, 71.05.445, 74.09.295, 70.02.210, 70.02.240, 70.02.250, and 70.02.260, or pursuant to a valid authorization under RCW 70.02.030, the fact of admission to a provider for mental health services and all information and records compiled, obtained, or maintained in the course of providing mental health services to either voluntary or involuntary recipients of services at public or private agencies must be confidential.

(2) Information and records related to mental health services, other than those obtained through treatment under chapter 71.34 RCW, may be disclosed only:

(a) In communications between qualified professional persons to meet the requirements of chapter 71.05 RCW, in the provision of services or appropriate referrals, or in the course of guardianship proceedings if provided to a professional person:

- (i) Employed by the facility;
- (ii) Who has medical responsibility for the patient's care;
- (iii) Who is a designated crisis responder;
- (iv) Who is providing services under chapter 71.24 RCW;

(v) Who is employed by a state or local correctional facility where the person is confined or supervised; or

(vi) Who is providing evaluation, treatment, or follow-up services under chapter 10.77 RCW;

(b) When the communications regard the special needs of a patient and the necessary circumstances giving rise to such needs and the disclosure is made by a facility providing services to the operator of a facility in which the patient resides or will reside;

(c)(i) When the person receiving services, or his or her guardian, designates persons to whom information or records may be released, or if the person is a minor, when his or her parents make such a designation;

(ii) A public or private agency shall release to a person's next of kin, attorney, personal representative, guardian, or conservator, if any:

(A) The information that the person is presently a patient in the facility or that the person is seriously physically ill;

(B) A statement evaluating the mental and physical condition of the patient, and a statement of the probable duration of the patient's confinement, if such information is requested by the next of kin, attorney, personal representative, guardian, or conservator; and

(iii) Other information requested by the next of kin or attorney as may be necessary to decide whether or not proceedings should be instituted to appoint a guardian or conservator;

(d)(i) To the courts as necessary to the administration of chapter 71.05 RCW or to a court ordering an evaluation or treatment under chapter 10.77 RCW solely for the purpose of preventing the entry of any evaluation or treatment order that is inconsistent with any order entered under chapter 71.05 RCW.

(ii) To a court or its designee in which a motion under chapter 10.77 RCW has been made for involuntary medication of a defendant for the purpose of competency restoration.

(iii) Disclosure under this subsection is mandatory for the purpose of the federal health insurance portability and accountability act;

(e)(i) When a mental health professional or designated crisis responder is requested by a representative of a law enforcement or corrections agency, including a police officer, sheriff, community corrections officer, a municipal attorney, or prosecuting attorney to undertake an investigation or provide treatment under RCW 71.05.150, 10.31.110, or 71.05.153, the mental health professional or designated crisis responder shall, if requested to do so, advise the representative in writing of the results of the investigation including a statement of reasons for the decision to detain or release the person investigated. The written report must be submitted within seventy-two hours of the completion of the investigation or the request from the law enforcement or corrections representative, whichever occurs later.

(ii) Disclosure under this subsection is mandatory for the purposes of the federal health insurance portability and accountability act;

(f) To the attorney of the detained person;

(g) To the prosecuting attorney as necessary to carry out the responsibilities of the office under RCW 71.05.330(2), 71.05.340(1)(b), and 71.05.335. The prosecutor must be provided access to records regarding the committed person's treatment and prognosis, medication, behavior problems, and other records relevant to the issue of whether treatment less restrictive than inpatient treatment is in the best interest of the committed person or others. Information must be disclosed only after giving notice to the committed person and the person's counsel;

(h)(i) To appropriate law enforcement agencies and to a person, when the identity of the person is known to the public or private agency, whose health and safety has been threatened, or who is known to have been repeatedly harassed, by the patient. The person may designate a representative to receive the disclosure. The disclosure must be made by the professional person in charge of the public or private agency or his or her designee and must include the dates of commitment, admission, discharge, or release, authorized or unauthorized absence from the agency's facility, and only any other information that is pertinent to the threat or harassment. The agency or its employees are not civilly liable for the decision to disclose or not, so long as the decision was reached in good faith and without gross negligence.

(ii) Disclosure under this subsection is mandatory for the purposes of the federal health insurance portability and accountability act;

(i)(i) To appropriate corrections and law enforcement agencies all necessary and relevant information in the event of a crisis or emergent situation that poses

a significant and imminent risk to the public. The mental health service agency or its employees are not civilly liable for the decision to disclose or not so long as the decision was reached in good faith and without gross negligence.

(ii) Disclosure under this subsection is mandatory for the purposes of the health insurance portability and accountability act;

(j) To the persons designated in RCW 71.05.425 for the purposes described in those sections;

(k) Upon the death of a person. The person's next of kin, personal representative, guardian, or conservator, if any, must be notified. Next of kin who are of legal age and competent must be notified under this section in the following order: Spouse, parents, children, brothers and sisters, and other relatives according to the degree of relation. Access to all records and information compiled, obtained, or maintained in the course of providing services to a deceased patient are governed by RCW 70.02.140;

(l) To mark headstones or otherwise memorialize patients interred at state hospital cemeteries. The department of social and health services shall make available the name, date of birth, and date of death of patients buried in state hospital cemeteries fifty years after the death of a patient;

(m) To law enforcement officers and to prosecuting attorneys as are necessary to enforce RCW 9.41.040(2)(a)(~~(iii)~~) (iv). The extent of information that may be released is limited as follows:

(i) Only the fact, place, and date of involuntary commitment, an official copy of any order or orders of commitment, and an official copy of any written or oral notice of ineligibility to possess a firearm that was provided to the person pursuant to RCW 9.41.047(1), must be disclosed upon request;

(ii) The law enforcement and prosecuting attorneys may only release the information obtained to the person's attorney as required by court rule and to a jury or judge, if a jury is waived, that presides over any trial at which the person is charged with violating RCW 9.41.040(2)(a)(~~(iii)~~) (iv);

(iii) Disclosure under this subsection is mandatory for the purposes of the federal health insurance portability and accountability act;

(n) When a patient would otherwise be subject to the provisions of this section and disclosure is necessary for the protection of the patient or others due to his or her unauthorized disappearance from the facility, and his or her whereabouts is unknown, notice of the disappearance, along with relevant information, may be made to relatives, the department of corrections when the person is under the supervision of the department, and governmental law enforcement agencies designated by the physician or psychiatric advanced registered nurse practitioner in charge of the patient or the professional person in charge of the facility, or his or her professional designee;

(o) Pursuant to lawful order of a court;

(p) To qualified staff members of the department, to the authority, to ~~(the director of)~~ behavioral health administrative services organizations, to managed care organizations, to resource management services responsible for serving a patient, or to service providers designated by resource management services as necessary to determine the progress and adequacy of treatment and to determine whether the person should be transferred to a less restrictive or more appropriate treatment modality or facility;

(q) Within the mental health service agency where the patient is receiving treatment, confidential information may be disclosed to persons employed, serving in bona fide training programs, or participating in supervised volunteer programs, at the facility when it is necessary to perform their duties;

(r) Within the department and the authority as necessary to coordinate treatment for mental illness, developmental disabilities, alcoholism, or substance use disorder of persons who are under the supervision of the department;

(s) Between the department of social and health services, the department of children, youth, and families, and the health care authority as necessary to coordinate treatment for mental illness, developmental disabilities, alcoholism, or drug abuse of persons who are under the supervision of the department of social and health services or the department of children, youth, and families;

(t) To a licensed physician or psychiatric advanced registered nurse practitioner who has determined that the life or health of the person is in danger and that treatment without the information and records related to mental health services could be injurious to the patient's health. Disclosure must be limited to the portions of the records necessary to meet the medical emergency;

(u)(i) Consistent with the requirements of the federal health insurance portability and accountability act, to:

(A) A health care provider who is providing care to a patient, or to whom a patient has been referred for evaluation or treatment; or

(B) Any other person who is working in a care coordinator role for a health care facility or health care provider or is under an agreement pursuant to the federal health insurance portability and accountability act with a health care facility or a health care provider and requires the information and records to assure coordinated care and treatment of that patient.

(ii) A person authorized to use or disclose information and records related to mental health services under this subsection (2)(u) must take appropriate steps to protect the information and records relating to mental health services.

(iii) Psychotherapy notes may not be released without authorization of the patient who is the subject of the request for release of information;

(v) To administrative and office support staff designated to obtain medical records for those licensed professionals listed in (u) of this subsection;

(w) To a facility that is to receive a person who is involuntarily committed under chapter 71.05 RCW, or upon transfer of the person from one evaluation and treatment facility to another. The release of records under this subsection is limited to the information and records related to mental health services required by law, a record or summary of all somatic treatments, and a discharge summary. The discharge summary may include a statement of the patient's problem, the treatment goals, the type of treatment which has been provided, and recommendation for future treatment, but may not include the patient's complete treatment record;

(x) To the person's counsel or guardian ad litem, without modification, at any time in order to prepare for involuntary commitment or commitment proceedings, reexaminations, appeals, or other actions relating to detention, admission, commitment, or patient's rights under chapter 71.05 RCW;

(y) To staff members of the protection and advocacy agency or to staff members of a private, nonprofit corporation for the purpose of protecting and advocating the rights of persons with mental disorders or developmental

disabilities. Resource management services may limit the release of information to the name, birthdate, and county of residence of the patient, information regarding whether the patient was voluntarily admitted, or involuntarily committed, the date and place of admission, placement, or commitment, the name and address of a guardian of the patient, and the date and place of the guardian's appointment. Any staff member who wishes to obtain additional information must notify the patient's resource management services in writing of the request and of the resource management services' right to object. The staff member shall send the notice by mail to the guardian's address. If the guardian does not object in writing within fifteen days after the notice is mailed, the staff member may obtain the additional information. If the guardian objects in writing within fifteen days after the notice is mailed, the staff member may not obtain the additional information;

(z) To all current treating providers of the patient with prescriptive authority who have written a prescription for the patient within the last twelve months. For purposes of coordinating health care, the department or the authority may release without written authorization of the patient, information acquired for billing and collection purposes as described in RCW 70.02.050(1)(d). The department, or the authority, if applicable, shall notify the patient that billing and collection information has been released to named providers, and provide the substance of the information released and the dates of such release. Neither the department nor the authority may release counseling, inpatient psychiatric hospitalization, or drug and alcohol treatment information without a signed written release from the client;

(aa)(i) To the secretary of social and health services and the director of the health care authority for either program evaluation or research, or both so long as the secretary or director, where applicable, adopts rules for the conduct of the evaluation or research, or both. Such rules must include, but need not be limited to, the requirement that all evaluators and researchers sign an oath of confidentiality substantially as follows:

"As a condition of conducting evaluation or research concerning persons who have received services from (fill in the facility, agency, or person) I,, agree not to divulge, publish, or otherwise make known to unauthorized persons or the public any information obtained in the course of such evaluation or research regarding persons who have received services such that the person who received such services is identifiable.

I recognize that unauthorized release of confidential information may subject me to civil liability under the provisions of state law.

/s/"

(ii) Nothing in this chapter may be construed to prohibit the compilation and publication of statistical data for use by government or researchers under standards, including standards to assure maintenance of confidentiality, set forth by the secretary, or director, where applicable;

(bb) To any person if the conditions in RCW 70.02.205 are met.

(3) Whenever federal law or federal regulations restrict the release of information contained in the information and records related to mental health services of any patient who receives treatment for (~~(chemical dependency)~~) a

substance use disorder, the department or the authority may restrict the release of the information as necessary to comply with federal law and regulations.

(4) Civil liability and immunity for the release of information about a particular person who is committed to the department of social and health services or the authority under RCW 71.05.280(3) and 71.05.320(4)(c) after dismissal of a sex offense as defined in RCW 9.94A.030, is governed by RCW 4.24.550.

(5) The fact of admission to a provider of mental health services, as well as all records, files, evidence, findings, or orders made, prepared, collected, or maintained pursuant to chapter 71.05 RCW are not admissible as evidence in any legal proceeding outside that chapter without the written authorization of the person who was the subject of the proceeding except as provided in RCW 70.02.260, in a subsequent criminal prosecution of a person committed pursuant to RCW 71.05.280(3) or 71.05.320(4)(c) on charges that were dismissed pursuant to chapter 10.77 RCW due to incompetency to stand trial, in a civil commitment proceeding pursuant to chapter 71.09 RCW, or, in the case of a minor, a guardianship or dependency proceeding. The records and files maintained in any court proceeding pursuant to chapter 71.05 RCW must be confidential and available subsequent to such proceedings only to the person who was the subject of the proceeding or his or her attorney. In addition, the court may order the subsequent release or use of such records or files only upon good cause shown if the court finds that appropriate safeguards for strict confidentiality are and will be maintained.

(6)(a) Except as provided in RCW 4.24.550, any person may bring an action against an individual who has willfully released confidential information or records concerning him or her in violation of the provisions of this section, for the greater of the following amounts:

(i) One thousand dollars; or

(ii) Three times the amount of actual damages sustained, if any.

(b) It is not a prerequisite to recovery under this subsection that the plaintiff suffered or was threatened with special, as contrasted with general, damages.

(c) Any person may bring an action to enjoin the release of confidential information or records concerning him or her or his or her ward, in violation of the provisions of this section, and may in the same action seek damages as provided in this subsection.

(d) The court may award to the plaintiff, should he or she prevail in any action authorized by this subsection, reasonable attorney fees in addition to those otherwise provided by law.

(e) If an action is brought under this subsection, no action may be brought under RCW 70.02.170.

Sec. 5021. RCW 70.02.250 and 2018 c 201 s 8004 are each amended to read as follows:

(1) Information and records related to mental health services delivered to a person subject to chapter 9.94A or 9.95 RCW must be released, upon request, by a mental health service agency to department of corrections personnel for whom the information is necessary to carry out the responsibilities of their office. The information must be provided only for the purpose of completing presentence investigations, supervision of an incarcerated person, planning for and provision of supervision of a person, or assessment of a person's risk to the community.

The request must be in writing and may not require the consent of the subject of the records.

(2) The information to be released to the department of corrections must include all relevant records and reports, as defined by rule, necessary for the department of corrections to carry out its duties, including those records and reports identified in subsection (1) of this section.

(3) The authority shall, subject to available resources, electronically, or by the most cost-effective means available, provide the department of corrections with the names, last dates of services, and addresses of specific behavioral health administrative services organizations, managed care organizations contracted with the authority under chapter 74.09 RCW, and mental health service agencies that delivered mental health services to a person subject to chapter 9.94A or 9.95 RCW pursuant to an agreement between the authority and the department of corrections.

(4) The authority, in consultation with the department, the department of corrections, behavioral health administrative services organizations, managed care organizations contracted with the authority under chapter 74.09 RCW, mental health service agencies as defined in RCW 70.02.010, mental health consumers, and advocates for persons with mental illness, shall adopt rules to implement the provisions of this section related to the type and scope of information to be released. These rules must:

(a) Enhance and facilitate the ability of the department of corrections to carry out its responsibility of planning and ensuring community protection with respect to persons subject to sentencing under chapter 9.94A or 9.95 RCW, including accessing and releasing or disclosing information of persons who received mental health services as a minor; and

(b) Establish requirements for the notification of persons under the supervision of the department of corrections regarding the provisions of this section.

(5) The information received by the department of corrections under this section must remain confidential and subject to the limitations on disclosure outlined in chapter 71.34 RCW, except as provided in RCW 72.09.585.

(6) No mental health service agency or individual employed by a mental health service agency may be held responsible for information released to or used by the department of corrections under the provisions of this section or rules adopted under this section.

(7) Whenever federal law or federal regulations restrict the release of information contained in the treatment records of any patient who receives treatment for alcoholism or drug dependency, the release of the information may be restricted as necessary to comply with federal law and regulations.

(8) This section does not modify the terms and conditions of disclosure of information related to sexually transmitted diseases under this chapter.

Sec. 5022. RCW 70.97.010 and 2016 sp.s. c 29 s 419 are each amended to read as follows:

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

(1) "Antipsychotic medications" means that class of drugs primarily used to treat serious manifestations of mental illness associated with thought disorders, which includes but is not limited to atypical antipsychotic medications.

(2) "Attending staff" means any person on the staff of a public or private agency having responsibility for the care and treatment of a patient.

~~(3) ("Chemical dependency" means alcoholism, drug addiction, or dependence on alcohol and one or more other psychoactive chemicals, as the context requires and as those terms are defined in chapter 71.05 RCW.~~

~~(4))~~ (4) "Chemical dependency professional" means a person certified as a chemical dependency professional by the department of health under chapter 18.205 RCW.

~~((5))~~ (4) "Commitment" means the determination by a court that an individual should be detained for a period of either evaluation or treatment, or both, in an inpatient or a less restrictive setting.

~~((6))~~ (5) "Conditional release" means a modification of a commitment that may be revoked upon violation of any of its terms.

~~((7))~~ (6) "Custody" means involuntary detention under chapter 71.05 RCW, uninterrupted by any period of unconditional release from commitment from a facility providing involuntary care and treatment.

~~((8))~~ (7) "Department" means the department of social and health services.

~~((9))~~ (8) "Designated crisis responder" has the same meaning as in chapter 71.05 RCW.

~~((10))~~ (9) "Detention" or "detain" means the lawful confinement of an individual under chapter 71.05 RCW.

~~((11))~~ (10) "Discharge" means the termination of facility authority. The commitment may remain in place, be terminated, or be amended by court order.

~~((12))~~ (11) "Enhanced services facility" means a facility that provides treatment and services to persons for whom acute inpatient treatment is not medically necessary and who have been determined by the department to be inappropriate for placement in other licensed facilities due to the complex needs that result in behavioral and security issues.

~~((13))~~ (12) "Expanded community services program" means a nonsecure program of enhanced behavioral and residential support provided to long-term and residential care providers serving specifically eligible clients who would otherwise be at risk for hospitalization at state hospital geriatric units.

~~((14))~~ (13) "Facility" means an enhanced services facility.

~~((15))~~ (14) "Gravely disabled" means a condition in which an individual, as a result of a mental disorder, as a result of the use of alcohol or other psychoactive chemicals, or both:

(a) Is in danger of serious physical harm resulting from a failure to provide for his or her essential human needs of health or safety; or

(b) Manifests severe deterioration in routine functioning evidenced by repeated and escalating loss of cognitive or volitional control over his or her actions and is not receiving such care as is essential for his or her health or safety.

~~((16))~~ (15) "History of one or more violent acts" refers to the period of time ten years before the filing of a petition under this chapter or chapter 71.05 RCW, excluding any time spent, but not any violent acts committed, in a mental health facility or a long-term alcoholism or drug treatment facility, or in confinement as a result of a criminal conviction.

~~((17))~~ (16) "Licensed physician" means a person licensed to practice medicine or osteopathic medicine and surgery in the state of Washington.

~~((48))~~ (17) "Likelihood of serious harm" means:

(a) A substantial risk that:

(i) Physical harm will be inflicted by an individual upon his or her own person, as evidenced by threats or attempts to commit suicide or inflict physical harm on oneself;

(ii) Physical harm will be inflicted by an individual upon another, as evidenced by behavior that has caused such harm or that places another person or persons in reasonable fear of sustaining such harm; or

(iii) Physical harm will be inflicted by an individual upon the property of others, as evidenced by behavior that has caused substantial loss or damage to the property of others; or

(b) The individual has threatened the physical safety of another and has a history of one or more violent acts.

~~((49))~~ (18) "Mental disorder" means any organic, mental, or emotional impairment that has substantial adverse effects on an individual's cognitive or volitional functions.

~~((20))~~ (19) "Mental health professional" means a psychiatrist, psychologist, psychiatric nurse, or social worker, and such other mental health professionals as may be defined by rules adopted by the secretary under the authority of chapter 71.05 RCW.

~~((21))~~ (20) "Professional person" means a mental health professional and also means a physician, registered nurse, and such others as may be defined in rules adopted by the secretary pursuant to the provisions of this chapter.

~~((22))~~ (21) "Psychiatrist" means a person having a license as a physician and surgeon in this state who has in addition completed three years of graduate training in psychiatry in a program approved by the American medical association or the American osteopathic association and is certified or eligible to be certified by the American board of psychiatry and neurology.

~~((23))~~ (22) "Psychologist" means a person who has been licensed as a psychologist under chapter 18.83 RCW.

~~((24))~~ (23) "Registration records" include all the records of the authority, department, behavioral health administrative services organizations, managed care organizations, treatment facilities, and other persons providing services to ~~((the department, county departments, or facilities))~~ such entities which identify individuals who are receiving or who at any time have received services for mental illness.

~~((25))~~ (24) "Release" means legal termination of the commitment under chapter 71.05 RCW.

~~((26))~~ (25) "Resident" means a person admitted to an enhanced services facility.

~~((27))~~ (26) "Secretary" means the secretary of the department or the secretary's designee.

~~((28))~~ (27) "Significant change" means:

(a) A deterioration in a resident's physical, mental, or psychosocial condition that has caused or is likely to cause clinical complications or life-threatening conditions; or

(b) An improvement in the resident's physical, mental, or psychosocial condition that may make the resident eligible for release or for treatment in a less intensive or less secure setting.

~~((29))~~ (28) "Social worker" means a person with a master's or further advanced degree from a social work educational program accredited and approved as provided in RCW 18.320.010.

~~((30))~~ (29) "Treatment" means the broad range of emergency, detoxification, residential, inpatient, and outpatient services and care, including diagnostic evaluation, mental health or ~~((chemical dependency))~~ substance use disorder education and counseling, medical, psychiatric, psychological, and social service care, vocational rehabilitation, and career counseling, which may be extended to persons with mental disorders, ~~((chemical dependency))~~ substance use disorders, or both, and their families.

~~((31))~~ (30) "Treatment records" include registration and all other records concerning individuals who are receiving or who at any time have received services for mental illness, which are maintained by the department or the health care authority, by behavioral health administrative services organizations ~~((and))~~ or their staffs, managed care organizations contracted with the health care authority under chapter 74.09 RCW or their staffs, and by treatment facilities. "Treatment records" do not include notes or records maintained for personal use by an individual providing treatment services for the department, the health care authority, behavioral health administrative services organizations, managed care organizations, or a treatment facility if the notes or records are not available to others.

~~((32))~~ (31) "Violent act" means behavior that resulted in homicide, attempted suicide, nonfatal injuries, or substantial damage to property.

(32) "Substance use disorder" means a cluster of cognitive, behavioral, and physiological symptoms indicating that an individual continues using the substance despite significant substance-related problems. The diagnosis of a substance use disorder is based on a pathological pattern of behaviors related to the use of the substances.

Sec. 5023. RCW 70.320.010 and 2014 c 225 s 73 are each amended to read as follows:

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

(1) "Authority" means the health care authority.

(2) "Department" means the department of social and health services.

(3) "Emerging best practice" or "promising practice" means a program or practice that, based on statistical analyses or a well-established theory of change, shows potential for meeting the evidence-based or research-based criteria, which may include the use of a program that is evidence-based for outcomes other than those listed in this section.

(4) "Evidence-based" means a program or practice that has been tested in heterogeneous or intended populations with multiple randomized, or statistically controlled evaluations, or both; or one large multiple site randomized, or statistically controlled evaluation, or both, where the weight of the evidence from a systemic review demonstrates sustained improvements in at least one outcome. "Evidence-based" also means a program or practice that can be implemented with a set of procedures to allow successful replication in Washington and, when possible, is determined to be cost-beneficial.

(5) "Research-based" means a program or practice that has been tested with a single randomized, or statistically controlled evaluation, or both,

demonstrating sustained desirable outcomes; or where the weight of the evidence from a systemic review supports sustained outcomes as described in this subsection but does not meet the full criteria for evidence-based.

(6) "Service coordination organization" or "service contracting entity" means the authority and department, or an entity that may contract with the state to provide, directly or through subcontracts, a comprehensive delivery system of medical, behavioral, long-term care, or social support services, including entities such as ~~((behavioral health organizations as defined in RCW 71.24.025,))~~ managed care organizations that provide medical services to clients under chapter 74.09 RCW and RCW 71.24.380, ~~((counties providing chemical dependency services under chapters 74.50 and 70.96A RCW,))~~ and area agencies on aging providing case management services under chapter 74.39A RCW.

Sec. 5024. RCW 72.09.350 and 2018 c 201 s 9011 are each amended to read as follows:

(1) The department of corrections and the University of Washington may enter into a collaborative arrangement to provide improved services for offenders with mental illness with a focus on prevention, treatment, and reintegration into society. The participants in the collaborative arrangement may develop a strategic plan within sixty days after May 17, 1993, to address the management of offenders with mental illness within the correctional system, facilitating their reentry into the community and the mental health system, and preventing the inappropriate incarceration of individuals with mental illness. The collaborative arrangement may also specify the establishment and maintenance of a corrections mental health center located at McNeil Island corrections center. The collaborative arrangement shall require that an advisory panel of key stakeholders be established and consulted throughout the development and implementation of the center. The stakeholders advisory panel shall include a broad array of interest groups drawn from representatives of mental health, criminal justice, and correctional systems. The stakeholders advisory panel shall include, but is not limited to, membership from: The department of corrections, the department of social and health services ~~((mental health division and division of juvenile rehabilitation))~~, the health care authority, behavioral health administrative services organizations, managed care organizations under chapter 74.09 RCW, local and regional law enforcement agencies, the sentencing guidelines commission, county and city jails, mental health advocacy groups for individuals with mental illness or developmental disabilities, the traumatically brain-injured, and the general public. The center established by the department of corrections and University of Washington, in consultation with the stakeholder advisory groups, shall have the authority to:

(a) Develop new and innovative treatment approaches for corrections mental health clients;

(b) Improve the quality of mental health services within the department and throughout the corrections system;

(c) Facilitate mental health staff recruitment and training to meet departmental, county, and municipal needs;

(d) Expand research activities within the department in the area of treatment services, the design of delivery systems, the development of organizational models, and training for corrections mental health care professionals;

(e) Improve the work environment for correctional employees by developing the skills, knowledge, and understanding of how to work with offenders with special chronic mental health challenges;

(f) Establish a more positive rehabilitative environment for offenders;

(g) Strengthen multidisciplinary mental health collaboration between the University of Washington, other groups committed to the intent of this section, and the department of corrections;

(h) Strengthen department linkages between institutions of higher education, public sector mental health systems, and county and municipal corrections;

(i) Assist in the continued formulation of corrections mental health policies;

(j) Develop innovative and effective recruitment and training programs for correctional personnel working with offenders with mental illness;

(k) Assist in the development of a coordinated continuum of mental health care capable of providing services from corrections entry to community return; and

(l) Evaluate all current and innovative approaches developed within this center in terms of their effective and efficient achievement of improved mental health of inmates, development and utilization of personnel, the impact of these approaches on the functioning of correctional institutions, and the relationship of the corrections system to mental health and criminal justice systems. Specific attention should be paid to evaluating the effects of programs on the reintegration of offenders with mental illness into the community and the prevention of inappropriate incarceration of persons with mental illness.

(2) The corrections mental health center may conduct research, training, and treatment activities for the offender with mental illness within selected sites operated by the department. The department shall provide support services for the center such as food services, maintenance, perimeter security, classification, offender supervision, and living unit functions. The University of Washington may develop, implement, and evaluate the clinical, treatment, research, and evaluation components of the mentally ill offender center. The institute of for public policy and management may be consulted regarding the development of the center and in the recommendations regarding public policy. As resources permit, training within the center shall be available to state, county, and municipal agencies requiring the services. Other state colleges, state universities, and mental health providers may be involved in activities as required on a subcontract basis. Community mental health organizations, research groups, and community advocacy groups may be critical components of the center's operations and involved as appropriate to annual objectives. Clients with mental illness may be drawn from throughout the department's population and transferred to the center as clinical need, available services, and department jurisdiction permits.

(3) The department shall prepare a report of the center's progress toward the attainment of stated goals and provide the report to the legislature annually.

Sec. 5025. RCW 72.09.370 and 2018 c 201 s 9012 are each amended to read as follows:

(1) The offender reentry community safety program is established to provide intensive services to offenders identified under this subsection and to thereby promote public safety. The secretary shall identify offenders in

confinement or partial confinement who: (a) Are reasonably believed to be dangerous to themselves or others; and (b) have a mental disorder. In determining an offender's dangerousness, the secretary shall consider behavior known to the department and factors, based on research, that are linked to an increased risk for dangerousness of offenders with mental illnesses and shall include consideration of an offender's (~~(chemical dependency)~~) substance use disorder or abuse.

(2) Prior to release of an offender identified under this section, a team consisting of representatives of the department of corrections, the health care authority, and, as necessary, the indeterminate sentence review board, divisions or administrations within the department of social and health services, specifically including the division of developmental disabilities, the appropriate (~~(behavioral health)~~) managed care organization contracted with the health care authority, the appropriate behavioral health administrative services organization, and the providers, as appropriate, shall develop a plan, as determined necessary by the team, for delivery of treatment and support services to the offender upon release. In developing the plan, the offender shall be offered assistance in executing a mental health directive under chapter 71.32 RCW, after being fully informed of the benefits, scope, and purposes of such directive. The team may include a school district representative for offenders under the age of twenty-one. The team shall consult with the offender's counsel, if any, and, as appropriate, the offender's family and community. The team shall notify the crime victim/witness program, which shall provide notice to all people registered to receive notice under RCW 72.09.712 of the proposed release plan developed by the team. Victims, witnesses, and other interested people notified by the department may provide information and comments to the department on potential safety risk to specific individuals or classes of individuals posed by the specific offender. The team may recommend: (a) That the offender be evaluated by the designated crisis responder, as defined in chapter 71.05 RCW; (b) department-supervised community treatment; or (c) voluntary community mental health or (~~(chemical dependency)~~) substance use disorder or abuse treatment.

(3) Prior to release of an offender identified under this section, the team shall determine whether or not an evaluation by a designated crisis responder is needed. If an evaluation is recommended, the supporting documentation shall be immediately forwarded to the appropriate designated crisis responder. The supporting documentation shall include the offender's criminal history, history of judicially required or administratively ordered involuntary antipsychotic medication while in confinement, and any known history of involuntary civil commitment.

(4) If an evaluation by a designated crisis responder is recommended by the team, such evaluation shall occur not more than ten days, nor less than five days, prior to release.

(5) A second evaluation by a designated crisis responder shall occur on the day of release if requested by the team, based upon new information or a change in the offender's mental condition, and the initial evaluation did not result in an emergency detention or a summons under chapter 71.05 RCW.

(6) If the designated crisis responder determines an emergency detention under chapter 71.05 RCW is necessary, the department shall release the offender

only to a state hospital or to a consenting evaluation and treatment facility. The department shall arrange transportation of the offender to the hospital or facility.

(7) If the designated crisis responder believes that a less restrictive alternative treatment is appropriate, he or she shall seek a summons, pursuant to the provisions of chapter 71.05 RCW, to require the offender to appear at an evaluation and treatment facility. If a summons is issued, the offender shall remain within the corrections facility until completion of his or her term of confinement and be transported, by corrections personnel on the day of completion, directly to the identified evaluation and treatment facility.

(8) The secretary shall adopt rules to implement this section.

Sec. 5026. RCW 72.09.381 and 2018 c 201 s 9014 are each amended to read as follows:

The secretary of the department of corrections and the director of the health care authority shall, in consultation with the behavioral health administrative services organizations, managed care organizations contracted with the health care authority, and provider representatives, each adopt rules as necessary to implement chapter 214, Laws of 1999.

Sec. 5027. RCW 72.10.060 and 2014 c 225 s 97 are each amended to read as follows:

The secretary shall, for any person committed to a state correctional facility after July 1, 1998, inquire at the time of commitment whether the person had received outpatient mental health treatment within the two years preceding confinement and the name of the person providing the treatment.

The secretary shall inquire of the treatment provider if he or she wishes to be notified of the release of the person from confinement, for purposes of offering treatment upon the inmate's release. If the treatment provider wishes to be notified of the inmate's release, the secretary shall attempt to provide such notice at least seven days prior to release.

At the time of an inmate's release if the secretary is unable to locate the treatment provider, the secretary shall notify the health care authority and the behavioral health administrative services organization in the county the inmate will most likely reside following release.

If the secretary has, prior to the release from the facility, evaluated the inmate and determined he or she requires postrelease mental health treatment, a copy of relevant records and reports relating to the inmate's mental health treatment or status shall be promptly made available to the offender's present or future treatment provider. The secretary shall determine which records and reports are relevant and may provide a summary in lieu of copies of the records.

Sec. 5028. RCW 72.23.025 and 2014 c 225 s 98 are each amended to read as follows:

(1) It is the intent of the legislature to improve the quality of service at state hospitals, eliminate overcrowding, and more specifically define the role of the state hospitals. The legislature intends that eastern and western state hospitals shall become clinical centers for handling the most complicated long-term care needs of patients with a primary diagnosis of mental disorder. To this end, the legislature intends that funds appropriated for mental health programs, including funds for behavioral health administrative services organizations, managed care organizations contracted with the health care authority, and the state hospitals,

be used for persons with primary diagnosis of mental disorder. The legislature finds that establishment of institutes for the study and treatment of mental disorders at both eastern state hospital and western state hospital will be instrumental in implementing the legislative intent.

(2)(a) There is established at eastern state hospital and western state hospital, institutes for the study and treatment of mental disorders. The institutes shall be operated by joint operating agreements between state colleges and universities and the department of social and health services. The institutes are intended to conduct training, research, and clinical program development activities that will directly benefit persons with mental illness who are receiving treatment in Washington state by performing the following activities:

(i) Promote recruitment and retention of highly qualified professionals at the state hospitals and community mental health programs;

(ii) Improve clinical care by exploring new, innovative, and scientifically based treatment models for persons presenting particularly difficult and complicated clinical syndromes;

(iii) Provide expanded training opportunities for existing staff at the state hospitals and community mental health programs;

(iv) Promote bilateral understanding of treatment orientation, possibilities, and challenges between state hospital professionals and community mental health professionals.

(b) To accomplish these purposes the institutes may, within funds appropriated for this purpose:

(i) Enter joint operating agreements with state universities or other institutions of higher education to accomplish the placement and training of students and faculty in psychiatry, psychology, social work, occupational therapy, nursing, and other relevant professions at the state hospitals and community mental health programs;

(ii) Design and implement clinical research projects to improve the quality and effectiveness of state hospital services and operations;

(iii) Enter into agreements with community mental health service providers to accomplish the exchange of professional staff between the state hospitals and community mental health service providers;

(iv) Establish a student loan forgiveness and conditional scholarship program to retain qualified professionals at the state hospitals and community mental health providers when the secretary has determined a shortage of such professionals exists.

(c) Notwithstanding any other provisions of law to the contrary, the institutes may enter into agreements with the department or the state hospitals which may involve changes in staffing necessary to implement improved patient care programs contemplated by this section.

(d) The institutes are authorized to seek and accept public or private gifts, grants, contracts, or donations to accomplish their purposes under this section.

Sec. 5029. RCW 74.09.758 and 2014 c 223 s 7 are each amended to read as follows:

(1) The authority and the department may restructure medicaid procurement of health care services and agreements with managed care systems on a phased basis to better support integrated physical health, mental health, and ~~((chemical dependency))~~ substance use disorder treatment, consistent with assumptions in

Second Substitute Senate Bill No. 6312, Laws of 2014, and recommendations provided by the behavioral health task force. The authority and the department may develop and utilize innovative mechanisms to promote and sustain integrated clinical models of physical and behavioral health care.

(2) The authority and the department may incorporate the following principles into future medicaid procurement efforts aimed at integrating the delivery of physical and behavioral health services:

(a) Medicaid purchasing must support delivery of integrated, person-centered care that addresses the spectrum of individuals' health needs in the context of the communities in which they live and with the availability of care continuity as their health needs change;

(b) Accountability for the client outcomes established in RCW 43.20A.895 (as recodified by this act) and 71.36.025 and performance measures linked to those outcomes;

(c) Medicaid benefit design must recognize that adequate preventive care, crisis intervention, and support services promote a recovery-focused approach;

(d) Evidence-based care interventions and continuous quality improvement must be enforced through contract specifications and performance measures that provide meaningful integration at the patient care level with broadly distributed accountability for results;

(e) Active purchasing and oversight of medicaid managed care contracts is a state responsibility;

(f) A deliberate and flexible system change plan with identified benchmarks to promote system stability, provide continuity of treatment for patients, and protect essential existing behavioral health system infrastructure and capacity; and

(g) Community and organizational readiness are key determinants of implementation timing; a phased approach is therefore desirable.

(3) The principles identified in subsection (2) of this section are not intended to create an individual entitlement to services.

(4) The authority shall increase the use of value-based contracting, alternative quality contracting, and other payment incentives that promote quality, efficiency, cost savings, and health improvement, for medicaid and public employee purchasing. The authority shall also implement additional chronic disease management techniques that reduce the subsequent need for hospitalization or readmissions. It is the intent of the legislature that the reforms the authority implements under this subsection are anticipated to reduce extraneous medical costs, across all medical programs, when fully phased in by fiscal year 2017 to generate budget savings identified in the omnibus appropriations act.

Sec. 5030. RCW 74.34.020 and 2018 c 201 s 9016 are each amended to read as follows:

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

(1) "Abandonment" means action or inaction by a person or entity with a duty of care for a vulnerable adult that leaves the vulnerable person without the means or ability to obtain necessary food, clothing, shelter, or health care.

(2) "Abuse" means the willful action or inaction that inflicts injury, unreasonable confinement, intimidation, or punishment on a vulnerable adult. In

instances of abuse of a vulnerable adult who is unable to express or demonstrate physical harm, pain, or mental anguish, the abuse is presumed to cause physical harm, pain, or mental anguish. Abuse includes sexual abuse, mental abuse, physical abuse, and personal exploitation of a vulnerable adult, and improper use of restraint against a vulnerable adult which have the following meanings:

(a) "Sexual abuse" means any form of nonconsensual sexual conduct, including but not limited to unwanted or inappropriate touching, rape, sodomy, sexual coercion, sexually explicit photographing, and sexual harassment. Sexual abuse also includes any sexual conduct between a staff person, who is not also a resident or client, of a facility or a staff person of a program authorized under chapter 71A.12 RCW, and a vulnerable adult living in that facility or receiving service from a program authorized under chapter 71A.12 RCW, whether or not it is consensual.

(b) "Physical abuse" means the willful action of inflicting bodily injury or physical mistreatment. Physical abuse includes, but is not limited to, striking with or without an object, slapping, pinching, choking, kicking, shoving, or prodding.

(c) "Mental abuse" means a willful verbal or nonverbal action that threatens, humiliates, harasses, coerces, intimidates, isolates, unreasonably confines, or punishes a vulnerable adult. Mental abuse may include ridiculing, yelling, or swearing.

(d) "Personal exploitation" means an act of forcing, compelling, or exerting undue influence over a vulnerable adult causing the vulnerable adult to act in a way that is inconsistent with relevant past behavior, or causing the vulnerable adult to perform services for the benefit of another.

(e) "Improper use of restraint" means the inappropriate use of chemical, physical, or mechanical restraints for convenience or discipline or in a manner that: (i) Is inconsistent with federal or state licensing or certification requirements for facilities, hospitals, or programs authorized under chapter 71A.12 RCW; (ii) is not medically authorized; or (iii) otherwise constitutes abuse under this section.

(3) "Chemical restraint" means the administration of any drug to manage a vulnerable adult's behavior in a way that reduces the safety risk to the vulnerable adult or others, has the temporary effect of restricting the vulnerable adult's freedom of movement, and is not standard treatment for the vulnerable adult's medical or psychiatric condition.

(4) "Consent" means express written consent granted after the vulnerable adult or his or her legal representative has been fully informed of the nature of the services to be offered and that the receipt of services is voluntary.

(5) "Department" means the department of social and health services.

(6) "Facility" means a residence licensed or required to be licensed under chapter 18.20 RCW, assisted living facilities; chapter 18.51 RCW, nursing homes; chapter 70.128 RCW, adult family homes; chapter 72.36 RCW, soldiers' homes; ~~((or~~) chapter 71A.20 RCW, residential habilitation centers; or any other facility licensed or certified by the department ~~((or the department of health)).~~

(7) "Financial exploitation" means the illegal or improper use, control over, or withholding of the property, income, resources, or trust funds of the vulnerable adult by any person or entity for any person's or entity's profit or

advantage other than for the vulnerable adult's profit or advantage. "Financial exploitation" includes, but is not limited to:

(a) The use of deception, intimidation, or undue influence by a person or entity in a position of trust and confidence with a vulnerable adult to obtain or use the property, income, resources, or trust funds of the vulnerable adult for the benefit of a person or entity other than the vulnerable adult;

(b) The breach of a fiduciary duty, including, but not limited to, the misuse of a power of attorney, trust, or a guardianship appointment, that results in the unauthorized appropriation, sale, or transfer of the property, income, resources, or trust funds of the vulnerable adult for the benefit of a person or entity other than the vulnerable adult; or

(c) Obtaining or using a vulnerable adult's property, income, resources, or trust funds without lawful authority, by a person or entity who knows or clearly should know that the vulnerable adult lacks the capacity to consent to the release or use of his or her property, income, resources, or trust funds.

(8) "Financial institution" has the same meaning as in RCW 30A.22.040 and 30A.22.041. For purposes of this chapter only, "financial institution" also means a "broker-dealer" or "investment adviser" as defined in RCW 21.20.005.

(9) "Hospital" means a facility licensed under chapter 70.41 or 71.12 RCW or a state hospital defined in chapter 72.23 RCW and any employee, agent, officer, director, or independent contractor thereof.

(10) "Incapacitated person" means a person who is at a significant risk of personal or financial harm under RCW 11.88.010(1) (a), (b), (c), or (d).

(11) "Individual provider" means a person under contract with the department to provide services in the home under chapter 74.09 or 74.39A RCW.

(12) "Interested person" means a person who demonstrates to the court's satisfaction that the person is interested in the welfare of the vulnerable adult, that the person has a good faith belief that the court's intervention is necessary, and that the vulnerable adult is unable, due to incapacity, undue influence, or duress at the time the petition is filed, to protect his or her own interests.

(13)(a) "Isolate" or "isolation" means to restrict a vulnerable adult's ability to communicate, visit, interact, or otherwise associate with persons of his or her choosing. Isolation may be evidenced by acts including but not limited to:

(i) Acts that prevent a vulnerable adult from sending, making, or receiving his or her personal mail, electronic communications, or telephone calls; or

(ii) Acts that prevent or obstruct the vulnerable adult from meeting with others, such as telling a prospective visitor or caller that a vulnerable adult is not present, or does not wish contact, where the statement is contrary to the express wishes of the vulnerable adult.

(b) The term "isolate" or "isolation" may not be construed in a manner that prevents a guardian or limited guardian from performing his or her fiduciary obligations under chapter 11.92 RCW or prevents a hospital or facility from providing treatment consistent with the standard of care for delivery of health services.

(14) "Mandated reporter" is an employee of the department; law enforcement officer; social worker; professional school personnel; individual provider; an employee of a facility; an operator of a facility; an employee of a social service, welfare, mental health, adult day health, adult day care, home health, home care, or hospice agency; county coroner or medical examiner;

Christian Science practitioner; or health care provider subject to chapter 18.130 RCW.

(15) "Mechanical restraint" means any device attached or adjacent to the vulnerable adult's body that he or she cannot easily remove that restricts freedom of movement or normal access to his or her body. "Mechanical restraint" does not include the use of devices, materials, or equipment that are (a) medically authorized, as required, and (b) used in a manner that is consistent with federal or state licensing or certification requirements for facilities, hospitals, or programs authorized under chapter 71A.12 RCW.

(16) "Neglect" means (a) a pattern of conduct or inaction by a person or entity with a duty of care that fails to provide the goods and services that maintain physical or mental health of a vulnerable adult, or that fails to avoid or prevent physical or mental harm or pain to a vulnerable adult; or (b) an act or omission by a person or entity with a duty of care that demonstrates a serious disregard of consequences of such a magnitude as to constitute a clear and present danger to the vulnerable adult's health, welfare, or safety, including but not limited to conduct prohibited under RCW 9A.42.100.

(17) "Permissive reporter" means any person, including, but not limited to, an employee of a financial institution, attorney, or volunteer in a facility or program providing services for vulnerable adults.

(18) "Physical restraint" means the application of physical force without the use of any device, for the purpose of restraining the free movement of a vulnerable adult's body. "Physical restraint" does not include (a) briefly holding without undue force a vulnerable adult in order to calm or comfort him or her, or (b) holding a vulnerable adult's hand to safely escort him or her from one area to another.

(19) "Protective services" means any services provided by the department to a vulnerable adult with the consent of the vulnerable adult, or the legal representative of the vulnerable adult, who has been abandoned, abused, financially exploited, neglected, or in a state of self-neglect. These services may include, but are not limited to case management, social casework, home care, placement, arranging for medical evaluations, psychological evaluations, day care, or referral for legal assistance.

(20) "Self-neglect" means the failure of a vulnerable adult, not living in a facility, to provide for himself or herself the goods and services necessary for the vulnerable adult's physical or mental health, and the absence of which impairs or threatens the vulnerable adult's well-being. This definition may include a vulnerable adult who is receiving services through home health, hospice, or a home care agency, or an individual provider when the neglect is not a result of inaction by that agency or individual provider.

(21) "Social worker" means:

(a) A social worker as defined in RCW 18.320.010(2); or

(b) Anyone engaged in a professional capacity during the regular course of employment in encouraging or promoting the health, welfare, support, or education of vulnerable adults, or providing social services to vulnerable adults, whether in an individual capacity or as an employee or agent of any public or private organization or institution.

(22) "Vulnerable adult" includes a person:

(a) Sixty years of age or older who has the functional, mental, or physical inability to care for himself or herself; or

(b) Found incapacitated under chapter 11.88 RCW; or

(c) Who has a developmental disability as defined under RCW 71A.10.020; or

(d) Admitted to any facility; or

(e) Receiving services from home health, hospice, or home care agencies licensed or required to be licensed under chapter 70.127 RCW; or

(f) Receiving services from an individual provider; or

(g) Who self-directs his or her own care and receives services from a personal aide under chapter 74.39 RCW.

(23) "Vulnerable adult advocacy team" means a team of three or more persons who coordinate a multidisciplinary process, in compliance with chapter 266, Laws of 2017 and the protocol governed by RCW 74.34.320, for preventing, identifying, investigating, prosecuting, and providing services related to abuse, neglect, or financial exploitation of vulnerable adults.

Sec. 5031. RCW 74.34.068 and 2014 c 225 s 103 are each amended to read as follows:

(1) After the investigation is complete, the department may provide a written report of the outcome of the investigation to an agency or program described in this subsection when the department determines from its investigation that an incident of abuse, abandonment, financial exploitation, or neglect occurred. Agencies or programs that may be provided this report are home health, hospice, or home care agencies, or after January 1, 2002, any in-home services agency licensed under chapter 70.127 RCW, a program authorized under chapter 71A.12 RCW, an adult day care or day health program, behavioral health administrative services organizations and managed care organizations authorized under chapter 71.24 RCW, or other agencies. The report may contain the name of the vulnerable adult and the alleged perpetrator. The report shall not disclose the identity of the person who made the report or any witness without the written permission of the reporter or witness. The department shall notify the alleged perpetrator regarding the outcome of the investigation. The name of the vulnerable adult must not be disclosed during this notification.

(2) The department may also refer a report or outcome of an investigation to appropriate state or local governmental authorities responsible for licensing or certification of the agencies or programs listed in subsection (1) of this section.

(3) The department shall adopt rules necessary to implement this section.

NEW SECTION. Sec. 5032. A new section is added to chapter 71.24 RCW to read as follows:

(1) The legislature finds that behavioral health integration requires parity in the approach to regulation between primary care providers and behavioral health agencies.

(2) Neither the authority nor the department may provide initial documentation requirements for patients receiving care in a behavioral health agency, either in contract or rule, which are substantially more administratively burdensome to complete than initial documentation requirements in primary care

settings, unless such documentation is required by federal law or to receive federal funds.

Sec. 5033. RCW 10.77.280 and 2015 1st sp.s. c 7 s 10 are each amended to read as follows:

(1) In order to prioritize goals of accuracy, prompt service to the court, quality assurance, and integration with other services, an office of forensic mental health services is established within the department of social and health services. The office shall be led by a director (~~(on at least the level of deputy assistant secretary within the department)~~) who shall (~~(, after a reasonable period of transition,)~~) have responsibility for the following functions:

(a) (~~(Operational control)~~) Coordination of all forensic evaluation services (~~(, including specific budget allocation)~~);

(b) Responsibility for assuring appropriate training of forensic evaluators;

(c) Development of a system to certify forensic evaluators, and to monitor the quality of forensic evaluation reports;

(d) Liaison with courts, jails, and community mental health programs to ensure the proper coordination of care, flow of information, (~~(coordinate logistical issues, and solve problems in complex circumstances)~~) and transition to community services, when applicable;

(e) Coordination with state hospitals to identify and develop best practice interventions and curricula for services (~~(that are unique)~~) relevant to forensic patients;

(f) (~~(Promotion of congruence across state hospitals where appropriate, and promotion of interventions that flow smoothly into community interventions;~~

(g)) Coordination with ((regional support networks)) the authority, managed care organizations, behavioral health administrative services organizations, community ((mental)) behavioral health agencies, and the department of corrections regarding community treatment and monitoring of persons on conditional release;

(~~(h) Oversight of)~~ (g) Participation in statewide forensic data collection (~~(and)~~), analysis (~~(statewide)~~), and appropriate dissemination of data trends (~~(and recommendations)~~); (~~(and)~~)

(h) Provide data-based recommendations for system changes and improvements; and

(i) Oversight of the development, implementation, and maintenance of community forensic programs and services.

(2) The office of forensic mental health services must have a clearly delineated budget separate from the overall budget for state hospital services.

PART 6

NEW SECTION. Sec. 6001. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 6002. RCW 43.20A.895 is recodified as a section in chapter 71.24 RCW.

NEW SECTION. Sec. 6003. The following sections are decodified:

(1) RCW 28A.310.202 (ESD board—Partnership with behavioral health organization to operate a wraparound model site);

(2) RCW 44.28.800 (Legislation affecting persons with mental illness—Report to legislature);

(3) RCW 71.24.049 (Identification by behavioral health organization—Children's mental health services);

(4) RCW 71.24.320 (Behavioral health organizations—Procurement process—Penalty for voluntary termination or refusal to renew contract);

(5) RCW 71.24.330 (Behavioral health organizations—Contracts with authority—Requirements);

(6) RCW 71.24.360 (Establishment of new behavioral health organizations);

(7) RCW 71.24.382 (Mental health and chemical dependency treatment providers and programs—Vendor rate increases);

(8) RCW 71.24.515 (Chemical dependency specialist services—To be available at children and family services offices—Training in uniform screening);

(9) RCW 71.24.620 (Persons with substance use disorders—Intensive case management pilot projects);

(10) RCW 71.24.805 (Mental health system review—Performance audit recommendations affirmed);

(11) RCW 71.24.810 (Mental health system review—Implementation of performance audit recommendations);

(12) RCW 71.24.840 (Mental health system review—Study of long-term outcomes);

(13) RCW 71.24.860 (Task force—Integrated behavioral health services);

(14) RCW 71.24.902 (Construction);

(15) RCW 72.78.020 (Inventory of services and resources by counties); and

(16) RCW 74.09.872 (Behavioral health organizations—Access to chemical dependency and mental health professionals).

NEW SECTION. Sec. 6004. The following acts or parts of acts are each repealed:

(1) RCW 71.24.110 (Joint agreements of county authorities—Permissive provisions) and 2014 c 225 s 15, 1999 c 10 s 7, 1982 c 204 s 8, & 1967 ex.s. c 111 s 11;

(2) RCW 71.24.310 (Administration of chapters 71.05 and 71.24 RCW through behavioral health organizations—Implementation of chapter 71.05 RCW) and 2018 c 201 s 4015, 2017 c 222 s 1, 2014 c 225 s 40, & 2013 2nd sp.s. c 4 s 994;

(3) RCW 71.24.340 (Behavioral health organizations—Agreements with city and county jails) and 2018 c 201 s 4018, 2014 c 225 s 16, & 2005 c 503 s 13;

(4) RCW 71.24.582 (Review of expenditures for drug and alcohol treatment) and 2018 c 201 s 2002 & 2002 c 290 s 6;

(5) RCW 74.09.492 (Children's mental health—Treatment and services—Authority's duties) and 2017 c 202 s 2;

(6) RCW 74.09.521 (Medical assistance—Program standards for mental health services for children) and 2014 c 225 s 101, 2011 1st sp.s. c 15 s 28, 2009 c 388 s 1, & 2007 c 359 s 11;

(7) RCW 74.09.873 (Tribal-centric behavioral health system) and 2018 c 201 s 2009, 2014 c 225 s 65, & 2013 c 338 s 7;

(8) RCW 74.50.010 (Legislative findings) and 1988 c 163 s 1 & 1987 c 406 s 2;

(9) RCW 74.50.011 (Additional legislative findings) and 1989 1st ex.s. c 18 s 1;

(10) RCW 74.50.035 (Shelter services—Eligibility) and 1989 1st ex.s. c 18 s 2;

(11) RCW 74.50.040 (Client assessment, treatment, and support services) and 1987 c 406 s 5;

(12) RCW 74.50.050 (Treatment services) and 2002 c 64 s 1, 1989 1st ex.s. c 18 s 5, 1988 c 163 s 3, & 1987 c 406 s 6;

(13) RCW 74.50.055 (Treatment services—Eligibility) and 2011 1st sp.s. c 36 s 10 & 1989 1st ex.s. c 18 s 4;

(14) RCW 74.50.060 (Shelter assistance program) and 2011 1st sp.s. c 36 s 33, 2010 1st sp.s. c 8 s 31, 1989 1st ex.s. c 18 s 3, 1988 c 163 s 4, & 1987 c 406 s 7;

(15) RCW 74.50.070 (County multipurpose diagnostic center or detention center) and 2016 sp.s. c 29 s 429 & 1987 c 406 s 8;

(16) RCW 74.50.080 (Rules—Discontinuance of service) and 1989 1st ex.s. c 18 s 6 & 1989 c 3 s 2; and

(17) RCW 74.50.900 (Short title) and 1987 c 406 s 1.

NEW SECTION. Sec. 6005. Section 2009 of this act takes effect July 1, 2026.

NEW SECTION. Sec. 6006. Section 2008 of this act expires July 1, 2026.

NEW SECTION. Sec. 6007. Sections 1003 and 5030 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect immediately.

NEW SECTION. Sec. 6008. Except as provided in sections 6005 and 6007 of this act, this act takes effect January 1, 2020.

Passed by the Senate April 18, 2019.

Passed by the House April 12, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 326

[Engrossed Second Substitute Senate Bill 5444]

FORENSIC MENTAL HEALTH CARE--COMPETENCY EVALUATIONS AND RESTORATION

AN ACT Relating to providing timely competency evaluations and restoration services to persons suffering from behavioral health disorders within the framework of the forensic mental health care system consistent with the requirements agreed to in the Trueblood settlement agreement; amending RCW 10.31.110, 10.77.086, and 10.77.088; adding a new section to chapter 10.77 RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature recognizes that there has been a nationwide increase in the number of individuals with behavioral health disorders in the criminal justice system. The legislature also recognizes that reforms must be made to our own behavioral health systems and services to meet the increasing demands in our state, to provide timely competency evaluations and restoration services, and to comply with federal court orders issued in *A.B.*,

by and through Trueblood, et al., v. DSHS, et al., No. 15-35462 ("Trueblood"). The legislature acknowledges that these reforms will require the support of a broad range of stakeholders, including local law enforcement, prosecuting attorneys, defense attorneys, community members, and health care providers. The legislature further acknowledges the significant efforts of the parties to the Trueblood litigation to establish a roadmap and framework within their settlement agreement for proposed systemic reforms to the forensic mental health care system. It is the intent of the legislature to enact appropriate reforms consistent with the goals agreed to in the Trueblood settlement agreement, to continue to engage with stakeholders and community partners to address the needs of this vulnerable population, and to ensure that the public safety needs of our communities are met.

NEW SECTION. Sec. 2. A new section is added to chapter 10.77 RCW to read as follows:

(1) Subject to the limitations described in this section, a court may appoint an impartial forensic navigator employed by or contracted by the department to assist individuals who have been referred for competency evaluation.

(2) A forensic navigator must assist the individual to access services related to diversion and community outpatient competency restoration. The forensic navigator must assist the individual, prosecuting attorney, defense attorney, and the court to understand the options available to the individual and be accountable as an officer of the court for faithful execution of the responsibilities outlined in this section.

(3) The duties of the forensic navigator include, but are not limited to, the following:

(a) To collect relevant information about the individual, including behavioral health services and supports available to the individual that might support placement in outpatient restoration, diversion, or some combination of these;

(b) To meet with, interview, and observe the individual;

(c) To present information to the court in order to assist the court in understanding the treatment options available to the individual to support the entry of orders for diversion from the forensic mental health system or for community outpatient competency restoration, and to facilitate that transition; and

(d) When the individual is ordered to receive community outpatient restoration, to provide services to the individual including:

(i) Assisting the individual with attending appointments and classes relating to outpatient competency restoration;

(ii) Coordinating access to housing for the individual;

(iii) Meeting with the individual on a regular basis;

(iv) Providing information to the court concerning the individual's progress and compliance with court-ordered conditions of release, which may include appearing at court hearings to provide information to the court;

(v) Coordinating the individual's access to community case management services and mental health services;

(vi) Assisting the individual with obtaining prescribed medication and encouraging adherence with prescribed medication;

(vii) Planning for a coordinated transition of the individual to a case manager in the community behavioral health system;

(viii) Attempting to follow up with the individual to check whether the meeting with a community-based case manager took place;

(ix) When the individual is a high utilizer, attempting to connect the individual with high utilizer services; and

(x) Attempting to check up on the individual at least once per month for up to sixty days after coordinated transition to community behavioral health services, without duplicating the services of the community-based case manager.

(4) Forensic navigators may submit nonclinical recommendations to the court regarding treatment and restoration options for the individual, which the court may consider and weigh in conjunction with the recommendations of all of the parties.

(5) Forensic navigators shall be deemed officers of the court for the purpose of immunity from civil liability.

(6) The signed order for competency evaluation from the court shall serve as authority for the forensic navigator to be given access to all records held by a behavioral health, educational, or law enforcement agency or a correctional facility that relates to an individual. Information that is protected by state or federal law, including health information, shall not be entered into the court record without the consent of the individual or their defense attorney.

(7) Admissions made by the individual in the course of receiving services from the forensic navigator may not be used against the individual in the prosecution's case in chief.

(8) A court may not issue an order appointing a forensic navigator unless the department certifies that there is adequate forensic navigator capacity to provide these services at the time the order is issued.

Sec. 3. RCW 10.31.110 and 2014 c 225 s 57 are each amended to read as follows:

(1) When a police officer has reasonable cause to believe that the individual has committed acts constituting a (~~nonfelony~~) crime (~~(that is not a serious offense as identified in RCW 10.77.092)~~), and the individual is known by history or consultation with the behavioral health organization, managed care organization, behavioral health administrative services organization, crisis hotline, or local crisis services providers to suffer from a mental disorder, in addition to existing authority under state law, as an alternative to arrest, the arresting officer (~~may~~) is authorized and encouraged to:

(a) Take the individual to a crisis stabilization unit as defined in RCW 71.05.020(~~(6)~~). Individuals delivered to a crisis stabilization unit pursuant to this section may be held by the facility for a period of up to twelve hours. The individual must be examined by a mental health professional within three hours of arrival;

(b) Take the individual to a triage facility as defined in RCW 71.05.020. An individual delivered to a triage facility which has elected to operate as an involuntary facility may be held up to a period of twelve hours. The individual must be examined by a mental health professional within three hours of arrival;

(c) Refer the individual to a mental health professional for evaluation for initial detention and proceeding under chapter 71.05 RCW; or

(d) Release the individual upon agreement to voluntary participation in outpatient treatment.

(2) If the individual is released to the community, the mental health provider shall make reasonable efforts to inform the arresting officer of the planned release (~~((within a reasonable period of time after the))~~) prior to release if the arresting officer has specifically requested notification and provided contact information to the provider.

(3) In deciding whether to refer the individual to treatment under this section, the police officer (~~((shall))~~) must be guided by (~~((standards))~~) local law enforcement diversion guidelines for behavioral health developed and mutually agreed upon with the prosecuting authority(~~((which))~~) with an opportunity for consultation and comment by the defense bar and disability community. These guidelines must address, at a minimum, the length, seriousness, and recency of the known criminal history of the individual, the mental health history of the individual, (~~((where))~~) if available, the opinions of a mental health professional, if available, and the circumstances surrounding the commission of the alleged offense. The guidelines must include a process for clearing outstanding warrants or referring the individual for assistance in clearing outstanding warrants, if any, and issuing a new court date, if appropriate, without booking or incarcerating the individual or disqualifying him or her from referral to treatment under this section, and define the circumstances under which such action is permissible.

(4) Any agreement to participate in treatment shall not require individuals to stipulate to any of the alleged facts regarding the criminal activity as a prerequisite to participation in a mental health treatment alternative. The agreement is inadmissible in any criminal or civil proceeding. The agreement does not create immunity from prosecution for the alleged criminal activity.

(5) If an individual violates such agreement and the mental health treatment alternative is no longer appropriate:

(a) The mental health provider shall inform the referring law enforcement agency of the violation; and

(b) The original charges may be filed or referred to the prosecutor, as appropriate, and the matter may proceed accordingly.

(6) The police officer is immune from liability for any good faith conduct under this section.

Sec. 4. RCW 10.77.086 and 2015 1st sp.s. c 7 s 5 are each amended to read as follows:

(1)(a)(i) If the defendant is charged with a felony and determined to be incompetent, until he or she has regained the competency necessary to understand the proceedings against him or her and assist in his or her own defense, but in any event for a period of no longer than ninety days, the court(~~((~~

~~((A)))~~) shall commit the defendant to the custody of the secretary (~~((who shall place such defendant in an appropriate facility of the department for evaluation and treatment; or~~

~~((B))~~) ~~May alternatively order the defendant to undergo evaluation and treatment at some other facility or provider as determined by the department, or under the guidance and control of a professional person. The facilities or providers may include community mental health providers or other local facilities that contract with the department and are willing and able to provide treatment under this section. During the 2015-2017 fiscal biennium, the~~

~~department may contract with one or more cities or counties to provide competency restoration services in a city or county jail if the city or county jail is willing and able to serve as a location for competency restoration services and if the secretary determines that there is an emergent need for beds and documents the justification, including a plan to address the emergency. Patients receiving competency restoration services in a city or county jail must be physically separated from other populations at the jail and restoration treatment services must be provided as much as possible within a therapeutic environment.)~~ for competency restoration. Based on a recommendation from a forensic navigator and input from the parties, the court may order the defendant to receive inpatient competency restoration or outpatient competency restoration.

(A) To be eligible for an order for outpatient competency restoration, a defendant must be clinically appropriate and be willing to:

(I) Adhere to medications or receive prescribed intramuscular medication; and

(II) Abstain from alcohol and unprescribed drugs.

(B) If the court orders inpatient competency restoration, the department shall place the defendant in an appropriate facility of the department for competency restoration.

(C) If the court orders outpatient competency restoration, the court shall modify conditions of release as needed to authorize the department to place the person in approved housing, which may include access to supported housing, affiliated with a contracted outpatient competency restoration program. The department, in conjunction with the health care authority, must establish rules for conditions of participation in the outpatient competency restoration program, which must include the defendant being subject to medication management and regular urinalysis testing for defendants who have a current substance use disorder diagnosis. The outpatient competency restoration program shall monitor the defendant during the defendant's placement in the program and report any noncompliance or significant changes with respect to the defendant to the department and, if applicable, the forensic navigator.

(D) If a defendant fails to comply with the restrictions of the outpatient restoration program such that restoration is no longer appropriate in that setting or the defendant is no longer clinically appropriate for outpatient competency restoration, the department shall remove the defendant from the outpatient restoration program and place the defendant instead in an appropriate facility of the department for inpatient competency restoration for no longer than the time allowed as if the defendant had been initially placed into inpatient competency restoration, in addition to reasonable time for transport to or from the facility. The department shall notify the court and parties of the change in placement before the close of the next judicial day. The court shall schedule a hearing within five days to review the placement and conditions of release of the defendant and issue appropriate orders. The standard of proof shall be a preponderance of the evidence, and the court may in its discretion render its decision based on written submissions, live testimony, or remote testimony.

(E) The court may not issue an order for outpatient competency restoration unless the department certifies that there is an available appropriate outpatient competency restoration program that has adequate space for the person at the

time the order is issued or the court places the defendant under the guidance and control of a professional person identified in the court order.

(ii) The ninety day period for (~~evaluation and treatment~~) competency restoration under this subsection (1) includes only the time the defendant is actually at the facility and is in addition to reasonable time for transport to or from the facility.

(b) For a defendant whose highest charge is a class C felony, or a class B felony that is not classified as violent under RCW 9.94A.030, the maximum time allowed for the initial period of commitment for competency restoration is forty-five days. The forty-five day period includes only the time the defendant is actually at the facility and is in addition to reasonable time for transport to or from the facility.

(c) If the court determines or the parties agree that the defendant is unlikely to regain competency, the court may dismiss the charges without prejudice without ordering the defendant to undergo restoration treatment, in which case the court shall order that the defendant be referred for evaluation for civil commitment in the manner provided in subsection (4) of this section.

(2) On or before expiration of the initial period of commitment under subsection (1) of this section the court shall conduct a hearing, at which it shall determine whether or not the defendant is incompetent.

(3) If the court finds by a preponderance of the evidence that a defendant charged with a felony is incompetent, the court shall have the option of extending the order of commitment or alternative treatment for an additional period of ninety days, but the court must at the time of extension set a date for a prompt hearing to determine the defendant's competency before the expiration of the second restoration period. The defendant, the defendant's attorney, or the prosecutor has the right to demand that the hearing be before a jury. No extension shall be ordered for a second or third restoration period as provided in subsection (4) of this section if the defendant's incompetence has been determined by the secretary to be solely the result of a developmental disability which is such that competence is not reasonably likely to be regained during an extension. The ninety-day period includes only the time the defendant is actually at the facility and is in addition to reasonable time for transport to or from the facility.

(4) For persons charged with a felony, at the hearing upon the expiration of the second restoration period or at the end of the first restoration period in the case of a defendant with a developmental disability, if the jury or court finds that the defendant is incompetent, or if the court or jury at any stage finds that the defendant is incompetent and the court determines that the defendant is unlikely to regain competency, the charges shall be dismissed without prejudice, and the court shall order the defendant be committed to a state hospital as defined in RCW 72.23.010 for up to seventy-two hours starting from admission to the facility, excluding Saturdays, Sundays, and holidays, for evaluation for the purpose of filing a civil commitment petition under chapter 71.05 RCW. The criminal charges shall not be dismissed if the court or jury finds that: (a) The defendant (i) is a substantial danger to other persons; or (ii) presents a substantial likelihood of committing criminal acts jeopardizing public safety or security; and (b) there is a substantial probability that the defendant will regain competency within a reasonable period of time. In the event that the court or jury

makes such a finding, the court may extend the period of commitment for up to an additional six months. The six-month period includes only the time the defendant is actually at the facility and is in addition to reasonable time for transport to or from the facility.

Sec. 5. RCW 10.77.088 and 2016 sp.s. c 29 s 411 are each amended to read as follows:

(1)~~((a))~~) If the defendant is charged with a nonfelony crime which is a serious offense as identified in RCW 10.77.092 and found by the court to be not competent, then the court:

(a) Shall dismiss the proceedings without prejudice and detain the defendant for sufficient time to allow the designated crisis responder to evaluate the defendant and consider initial detention proceedings under chapter 71.05 RCW, unless the prosecutor objects to the dismissal and provides notice of a motion for an order for competency restoration, in which case the court shall schedule a hearing within seven days to determine whether to enter an order of competency restoration.

(b) At the hearing, the prosecuting attorney must establish that there is a compelling state interest to order competency restoration treatment for the defendant. The court may consider prior criminal history, prior history in treatment, prior history of violence, the quality and severity of the pending charges, any history that suggests whether or not competency restoration treatment is likely to be successful, in addition to the factors listed under RCW 10.77.092. If the prosecuting attorney proves by a preponderance of the evidence that there is a compelling state interest in ordering competency restoration, then the court shall order competency restoration in accordance with subsection (2)(a) of this section.

(2)(a) If a court finds pursuant to subsection (1)(b) of this section that there is a compelling state interest in pursuing competency restoration treatment, then the court ~~((+))~~ shall commit the defendant to the custody of the secretary ~~((who shall place such defendant in an appropriate facility of the department for evaluation and treatment;~~

~~(ii) May alternatively order the defendant to undergo evaluation and treatment at some other facility or provider as determined by the department, or under the guidance and control of a professional person. The facilities or providers may include community mental health providers or other local facilities that contract with the department and are willing and able to provide treatment under this section. During the 2015-2017 fiscal biennium, the department may contract with one or more cities or counties to provide competency restoration services in a city or county jail if the city or county jail is willing and able to serve as a location for competency restoration services and if the secretary determines that there is an emergent need for beds and documents the justification, including a plan to address the emergency. Patients receiving competency restoration services in a city or county jail must be physically separated from other populations at the jail and restoration treatment services must be provided as much as possible within a therapeutic environment.)~~ for competency restoration. Based on a recommendation from a forensic navigator and input from the parties, the court may order the defendant to receive inpatient competency restoration or outpatient competency restoration.

(i) To be eligible for an order for outpatient competency restoration, a defendant must be clinically appropriate and be willing to:

(A) Adhere to medications or receive prescribed intramuscular medication; and

(B) Abstain from alcohol and unprescribed drugs.

(ii) If the court orders inpatient competency restoration, the department shall place the defendant in an appropriate facility of the department for competency restoration under (b) of this subsection.

(iii) If the court orders outpatient competency restoration, the court shall modify conditions of release as needed to authorize the department to place the person in approved housing, which may include access to supported housing, affiliated with a contracted outpatient competency restoration program. The department, in conjunction with the health care authority, must establish rules for conditions of participation in the outpatient competency restoration program, which must include the defendant being subject to medication management and regular urinalysis testing for defendants who have a current substance use disorder diagnosis. The outpatient competency restoration program shall monitor the defendant during the defendant's placement in the program and report any noncompliance or significant changes with respect to the defendant to the department and, if applicable, the forensic navigator.

(iv) If a defendant fails to comply with the restrictions of the outpatient competency restoration program such that restoration is no longer appropriate in that setting or the defendant is no longer clinically appropriate for outpatient competency restoration, the department shall remove the defendant from the outpatient restoration program. The department shall place the defendant instead in an appropriate facility of the department for inpatient competency restoration for no longer than twenty-nine days regardless of any time spent in outpatient competency restoration, in addition to reasonable time for transport to or from the facility. The department shall notify the court and parties of the change in placement before the close of the next judicial day. The court shall schedule a hearing within five days to review the placement and conditions of release of the defendant and issue appropriate orders. The standard of proof shall be a preponderance of the evidence, and the court may in its discretion render its decision based on written submissions, live testimony, or remote testimony.

(v) The court may not issue an order for outpatient competency restoration unless the department certifies that there is an available appropriate outpatient restoration program that has adequate space for the person at the time the order is issued or the court places the defendant under the guidance and control of a professional person identified in the court order.

(b) The placement under (a) (~~((i) and (ii))~~) of this subsection shall not exceed (~~fourteen~~) twenty-nine days (~~in addition to any unused time of the evaluation under RCW 10.77.060. The court shall compute this total period and include its computation in the order. The fourteen-day period plus any unused time of the evaluation under RCW 10.77.060 shall~~) if the defendant is ordered to receive inpatient competency restoration, or shall not exceed ninety days if the defendant is ordered to receive outpatient competency restoration. The court may order any combination of this subsection, not to exceed ninety days. This period must be considered to include only the time the defendant is actually at

the facility and shall be in addition to reasonable time for transport to or from the facility((;

~~(iii) May alternatively order that the defendant be placed on conditional release for up to ninety days for mental health treatment and restoration of competency; or~~

~~(iv) May order any combination of this subsection)).~~

~~((b))~~ (c) If the court has determined or the parties agree that the defendant is unlikely to regain competency, the court may dismiss the charges without prejudice without ordering the defendant to undergo restoration treatment, in which case the court shall order that the defendant be referred for evaluation for civil commitment in the manner provided in ~~((e))~~ (d) of this subsection.

~~((e))~~ (d)(i) If the proceedings are dismissed under RCW 10.77.084 and the defendant was on conditional release at the time of dismissal, the court shall order the designated crisis responder within that county to evaluate the defendant pursuant to chapter 71.05 RCW. The evaluation may be conducted in any location chosen by the professional.

(ii) If the defendant was in custody and not on conditional release at the time of dismissal, the defendant shall be detained and sent to an evaluation and treatment facility for up to seventy-two hours, excluding Saturdays, Sundays, and holidays, for evaluation for purposes of filing a petition under chapter 71.05 RCW. The seventy-two hour period shall commence upon the next nonholiday weekday following the court order and shall run to the end of the last nonholiday weekday within the seventy-two-hour period.

~~((2))~~ (3) If the defendant is charged with a nonfelony crime that is not a serious offense as defined in RCW 10.77.092:

The court may stay or dismiss proceedings and detain the defendant for sufficient time to allow the designated crisis responder to evaluate the defendant and consider initial detention proceedings under chapter 71.05 RCW. The court must give notice to all parties at least twenty-four hours before the dismissal of any proceeding under this subsection, and provide an opportunity for a hearing on whether to dismiss the proceedings.

Passed by the Senate April 24, 2019.

Passed by the House April 15, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 327

[Substitute Senate Bill 5550]

PESTICIDE APPLICATION SAFETY COMMITTEE--ADVISORY WORK GROUP

AN ACT Relating to implementing the recommendations of the pesticide application safety work group; adding a new section to chapter 70.104 RCW; creating a new section; and providing expiration dates.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. (1) In 2018, the legislature passed Engrossed Second Substitute Senate Bill No. 6529. The bill recognized that farmers, farmworkers, and the broader community share an interest in minimizing human exposure to pesticides. It also recognized that gains have been made in reducing

human exposure to pesticides and that collaboration between state agencies and the farming community could further reduce agricultural workers exposure to pesticide drift.

(2) The legislation established a pesticide application safety work group that would make recommendations for improving pesticide application safety. Work group members included legislators from both chambers and caucuses, as well as representation from state agencies and the commission on Hispanic affairs. The work group sought public participation to learn more about pesticide application safety. Many stakeholders including but not limited to local farm hosts, the agricultural industry, and members of the agricultural workforce contributed valuable assistance and input.

(3) The work group reached two noteworthy recommendations regarding what can be done now to improve pesticide application safety. The recommendations are to:

(a) Expand training because the department of agriculture lacks sufficient resources to meet the training demand from pesticide applicators and handlers; and

(b) Establish a new pesticide application safety panel to provide an opportunity to evaluate and recommend policy options, and investigate exposure cases.

(4) The work group concluded that legislation is warranted to expand funding for a training program and set up a new pesticide application safety panel with clear objectives.

(5) This section expires July 1, 2025.

NEW SECTION. Sec. 2. A new section is added to chapter 70.104 RCW to read as follows:

(1) The pesticide application safety committee is established. Appointments to the committee must be made as soon as possible after the legislature convenes in regular session. The committee is composed of the following members:

(a) One member from each of the two largest caucuses of the house of representatives, appointed by the speaker of the house of representatives;

(b) One member from each of the two largest caucuses of the senate, appointed by the president of the senate;

(c) The director of the department of agriculture, or an assistant director designated by the director;

(d) The secretary of the department of health, or an assistant secretary designated by the secretary;

(e) The director of the department of labor and industries, or an assistant director designated by the director;

(f) The commissioner of public lands, or an assistant commissioner designated by the commissioner;

(g) The dean of the college of agricultural, human, and natural resource sciences at the Washington State University, or an assistant dean designated by the dean;

(h) The pesticide safety education coordinator at the Washington State University cooperative extension; and

(i) The director of the University of Washington Pacific Northwest agricultural safety and health center, or an assistant designated by the director.

(2) The committee shall be cochaired by the secretary of the department of health, or the assistant secretary designated by the secretary, and the director of the department of agriculture, or the assistant director designated by the director.

(3) Primary responsibility for administrative support for the committee, including developing reports, research, and other organizational support, shall be provided by the department of health and the department of agriculture. The committee must hold its first meeting by September 2019. The committee must meet at least three times each year. The meetings shall be at a time and place specified by the cochaIRS, or at the call of a majority of the committee. When determining the time and place of meetings, the cochaIRS must consider costs and conduct committee meetings in Olympia when this choice would reduce costs to the state.

(4)(a) An advisory work group is created to collect information and make recommendations to the full committee on topics requiring unique expertise and perspectives on issues within the jurisdiction of the committee.

(b) The advisory work group shall consist of a representative from the department of agriculture, two representatives of employee organizations that represent farmworkers, two farmworkers with expertise on pesticide application, a representative of community and migrant health centers, a toxicologist, a representative of growers who use air blast sprayers, a representative of growers who use aerial pesticide application, a representative of growers who use fumigation to apply pesticides, and a representative of aerial applicators. The secretary of health, in consultation with the director of the department of agriculture and the full committee, must appoint members of the advisory work group, and the department of health must staff the advisory work group. The letter of appointment to the advisory work group members must be signed by both cochaIRS.

(c) The advisory work group must hold meetings only upon the committee's request. To reduce costs, the advisory work group must conduct meetings using teleconferencing or other methods, but may hold one in-person meeting per fiscal year.

(d) Members of the advisory work group shall be reimbursed for mileage expenses in accordance with RCW 43.03.060.

(e) The advisory work group must provide a report on their activities and recommendations to the full committee by November 9th of each year.

(5) The first priority of the committee is to explore how the departments of agriculture, labor and industries, and health, and the Washington poison center collect and track data. The committee must also consider the feasibility and requirements of developing a shared database, including how the department of health could use existing tools, such as the tracking network, to better display multiagency data regarding pesticides. The committee may also evaluate and recommend policy options that would take action to:

(a) Improve pesticide application safety with agricultural applications;

(b) Lead an effort to establish baseline data for the type and quantity of pesticide applications used in Washington to be able to compare the number of exposures with overall number of applications;

(c) Research ways to improve pesticide application communication among different members of the agricultural community, including educating the public

in English and Spanish about acute and chronic health information about pesticides;

(d) Compile industry's best practices for use to improve pesticide application safety to limit pesticide exposure;

(e) Continue to investigate reasons why members of the agricultural workforce do not or may not report pesticide exposure;

(f) Explore new avenues for reporting with investigation without fear of retaliation;

(g) Work with stakeholders to consider trainings for how and when to report;

(h) Explore incentives for using new technology by funding a partial buy-out program for old spray technology;

(i) Consider developing an effective community health education plan;

(j) Consult with community partners to enhance educational initiatives that work with the agricultural workforce, their families, and surrounding communities to reduce the risk of pesticide exposure;

(k) Enhance efforts to work with pesticide manufacturers and the environmental protection agency to improve access to non-English pesticide labeling in the United States;

(l) Work with research partners to develop, or promote the use of translation apps for pesticide label safety information, or both;

(m) Evaluate prevention techniques to minimize exposure events;

(n) Develop more Spanish language and other language educational materials for distribution, including through social media and app-based learning for agricultural workforce communities;

(o) Explore development of an agricultural workforce education safety program to improve the understanding about leaving an area being sprayed; and

(p) Work with the industry and the agricultural workforce to improve protocols and best practices for use of personal safety equipment for applicators and reflective gear for the general workforce.

(6) The committee must provide a report to the appropriate committees of the legislature by May 1, 2020, and each year thereafter. An initial report on the progress of the committee must be provided in January 2020. The report may include recommendations the committee determines necessary, and must document the activities of the committee and report on the subjects listed in subsection (5) of this section. The department of health and the department of agriculture must provide staff support to the committee for the purpose of authoring the report and transmitting it to the legislature. Any member of the committee may provide a minority report as an appendix to the report submitted to the legislature under this section.

(7) This section expires July 1, 2025.

Passed by the Senate April 22, 2019.

Passed by the House April 10, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 328

[Second Substitute Senate Bill 5718]

CHILD WELFARE HOUSING ASSISTANCE PILOT PROGRAM

AN ACT Relating to establishing the child welfare housing assistance program that provides housing assistance to parents reunifying with a child and parents at risk of having a child removed; adding a new section to chapter 74.13 RCW; creating a new section; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION, Sec. 1. A new section is added to chapter 74.13 RCW to read as follows:

(1) Beginning July 1, 2020, the department shall establish a child welfare housing assistance pilot program, which provides housing vouchers, rental assistance, navigation, and other support services to eligible families.

(a) The department shall operate or contract for the operation of the child welfare housing assistance pilot program under subsection (3) of this section in one county west of the crest of the Cascade mountain range and one county east of the crest of the Cascade mountain range.

(b) The child welfare housing assistance pilot program is intended to shorten the time that children remain in out-of-home care.

(2) A parent with a child who is dependent pursuant to chapter 13.34 RCW and whose primary remaining barrier to reunification is the lack of appropriate housing is eligible for the child welfare housing assistance pilot program.

(3) The department shall contract with an outside entity or entities to operate the child welfare housing assistance pilot program. If no outside entity or entities are available to operate the program or specific parts of the program, the department may operate the program or the specific parts that are not operated by an outside entity.

(4) Families may be referred to the child welfare housing assistance pilot program by a caseworker, an attorney, a guardian ad litem as defined in chapter 13.34 RCW, a child welfare parent mentor as defined in RCW 2.70.060, an office of public defense social worker, or the court.

(5) The department shall consult with a stakeholder group that must include, but is not limited to, the following:

(a) Parent allies;

(b) Parent attorneys and social workers managed by the office of public defense parent representation program;

(c) The department of commerce;

(d) Housing experts;

(e) Community-based organizations;

(f) Advocates; and

(g) Behavioral health providers.

(6) The stakeholder group established in subsection (5) of this section shall begin meeting after the effective date of this section and assist the department in design of the child welfare housing assistance pilot program in areas including, but not limited to:

(a) Equitable racial, geographic, ethnic, and gender distribution of program support;

(b) Eligibility criteria;

(c) Creating a definition of homeless for purposes of eligibility for the program; and

(d) Options for program design that include outside entities operating the entire program or specific parts of the program.

(7) By December 1, 2021, the department shall report outcomes for the child welfare housing assistance pilot program to the oversight board for children, youth, and families established pursuant to RCW 43.216.015. The report must include racial, geographic, ethnic, and gender distribution of program support.

(8) The child welfare housing assistance pilot program established in this section is subject to the availability of funds appropriated for this purpose.

(9) This section expires June 30, 2022.

NEW SECTION. Sec. 2. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2019, in the omnibus appropriations act, this act is null and void.

Passed by the Senate April 22, 2019.

Passed by the House April 11, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 329

[Second Substitute Senate Bill 5846]

INTERNATIONAL MEDICAL GRADUATE WORK GROUP

AN ACT Relating to the integration of international medical graduates into Washington's health care delivery system; creating new sections; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. (1) The legislature finds that a shortage of primary care health care providers has created significant provider access issues in Washington.

(2) The legislature further finds that international medical graduates residing in the state could provide increased access to primary care for state residents, but international medical graduates routinely face barriers to practice.

(3) Therefore, the legislature intends to establish the international medical graduate work group to study barriers to practice and make recommendations on how the state can implement an international medical graduate assistance program by January 1, 2022, to assist international medical graduates in integrating into the Washington health care delivery system.

NEW SECTION. Sec. 2. (1) Subject to the availability of amounts appropriated for this specific purpose, the international medical graduate work group is established. The work group membership must consist of the following members appointed by the governor:

(a) A representative from the medical quality assurance commission;

(b) A representative from the department of health, health systems quality assurance division;

(c) A representative from the University of Washington school of medicine graduate medical education program;

(d) A representative from the Washington State University Elson S. Floyd college of medicine graduate medical education program;

(e) A representative from the Pacific Northwest University of Health Sciences college of osteopathic medicine graduate medical education program;

(f) A representative from a statewide association representing physicians;

(g) A representative from the Washington state family medicine residency network;

(h) A representative from a primary care health care employer in a rural or underserved area of Washington;

(i) A representative from a health carrier offering coverage in a rural or underserved area of Washington;

(j) A licensed physician with experience working with international medical graduates;

(k) A representative from an organization specializing in refugee advocacy in Washington;

(l) A representative from an organization serving refugee physicians and international medical graduates;

(m) A representative from an organization offering counseling and educational programs to internationally trained health professionals;

(n) A representative from an organization representing community and migrant health centers; and

(o) At least two international medical graduates.

(2) The work group must:

(a) Develop strategies and recommendations for reducing barriers for international medical graduates obtaining residency positions in Washington, including preresidency training;

(b) Make recommendations for the appropriate number of residency positions to be designated for international medical graduates, and the locations and specialties of those positions; and

(c) Make recommendations on the postresidency service requirements for international medical graduates who graduate from a designated residency position.

(3) Staff support for the work group must be provided by the medical quality assurance commission.

(4) The work group must submit a report to the governor and the legislature with its recommendations by December 1, 2019.

(5) This section expires June 30, 2020.

Passed by the Senate April 26, 2019.

Passed by the House April 12, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 330

[Second Substitute Senate Bill 5800]

HOMELESS COLLEGE STUDENTS--PILOT PROGRAM

AN ACT Relating to the helping homeless college students act; adding a new section to chapter 28B.50 RCW; adding a new section to chapter 28B.77 RCW; creating a new section; and providing expiration dates.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. **Sec. 1.** A new section is added to chapter 28B.50 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the college board shall select four college districts, two on each side of the crest of the Cascade mountain range, to participate in a pilot program to provide assistance to students experiencing homelessness and to students who were in the foster care system when they graduated high school. The college districts chosen to participate in the pilot program must provide certain accommodations to these students that may include, but are not limited to, the following:

- (a) Access to laundry facilities;
- (b) Access to storage;
- (c) Access to locker room and shower facilities;
- (d) Reduced-price meals or meal plans, and access to food banks;
- (e) Access to technology;
- (f) Access to short-term housing or housing assistance, especially during seasonal breaks; and

(g) Case management services.

(2) The college districts may also establish plans to develop surplus property for affordable housing to accommodate the needs of students experiencing homelessness and students who were in the foster care system when they graduated high school.

(3) The college districts participating in the pilot program shall leverage existing community resources by making available to students in the pilot program information that is available for individuals experiencing homelessness, including through not-for-profit organizations, the local housing authority, and the department of commerce's office of homeless youth.

(4) The college districts participating in the pilot program shall provide a joint report to the appropriate committees of the legislature by December 1, 2023, that includes at least the following information:

(a) The number of students experiencing homelessness or food insecurity, and the number of students who were in the foster care system when they graduated high school who were attending a community or technical college during the pilot program. The college board shall coordinate with all of the community and technical colleges to collect voluntary data on how many students experiencing homelessness or food insecurity are attending the community and technical colleges;

(b) The number of students assisted by the pilot program;

(c) Strategies for accommodating students experiencing homelessness or food insecurity, and former foster care students; and

(d) Legislative recommendations for how students experiencing homelessness or food insecurity, and former foster care students could be better served.

(5) The college districts not selected to participate in the pilot program are:

(a) Invited to participate voluntarily; and

(b) Encouraged to submit the data required of the pilot program participants under subsection (4) of this section, regardless of participation status.

(6) The pilot program expires July 1, 2023.

(7) This section expires January 1, 2024.

NEW SECTION. **Sec. 2.** A new section is added to chapter 28B.77 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the council shall select two public four-year institutions of higher education, one on each side of the crest of the Cascade mountain range, to participate in a pilot program to provide assistance to students experiencing homelessness and to students who were in the foster care system when they graduated high school. The four-year institutions of higher education chosen to participate in the pilot program must provide certain accommodations to these students that may include, but are not limited to, the following:

- (a) Access to laundry facilities;
- (b) Access to storage;
- (c) Access to locker room and shower facilities;
- (d) Reduced-price meals or meal plans, and access to food banks;
- (e) Access to technology;
- (f) Access to short-term housing or housing assistance, especially during seasonal breaks; and
- (g) Case management services.

(2) The four-year institutions of higher education may also establish plans to develop surplus property for affordable housing to accommodate the needs of students experiencing homelessness and students who were in the foster care system when they graduated high school.

(3) The four-year institutions of higher education participating in the pilot program shall leverage existing community resources by making available to students in the pilot program information that is available for individuals experiencing homelessness, including through not-for-profit organizations, the local housing authority, and the department of commerce's office of homeless youth.

(4) The four-year institutions of higher education participating in the pilot program shall provide a joint report to the appropriate committees of the legislature by December 1, 2023, that includes at least the following information:

(a) The number of students experiencing homelessness or food insecurity, and the number of students who were in the foster care system when they graduated high school who were attending a four-year institution of higher education during the pilot program. The council shall coordinate with all of the four-year institutions of higher education to collect voluntary data on how many students experiencing homelessness or food insecurity are attending the four-year institutions of higher education;

(b) The number of students assisted by the pilot program;

(c) Strategies for accommodating students experiencing homelessness or food insecurity, and former foster care students; and

(d) Legislative recommendations for how students experiencing homelessness or food insecurity, and former foster care students could be better served.

(5) The four-year institutions of higher education not selected to participate in the pilot program are:

(a) Invited to participate voluntarily; and

(b) Encouraged to submit the data required of the pilot program participants under subsection (4) of this section, regardless of participation status.

(6) The pilot program expires July 1, 2023.

(7) This section expires January 1, 2024.

NEW SECTION. Sec. 3. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2019, in the omnibus appropriations act, this act is null and void.

Passed by the Senate April 26, 2019.

Passed by the House April 12, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 331

[Substitute House Bill 1041]

CERTIFICATES OF DISCHARGE AND CONVICTION RECORD VACATION

AN ACT Relating to promoting successful reentry by modifying the process for obtaining certificates of discharge and vacating conviction records; amending RCW 9.94A.640 and 9.94A.030; reenacting and amending RCW 9.94A.637 and 9.96.060; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. This act may be known and cited as the new hope act.

Sec. 2. RCW 9.94A.637 and 2009 c 325 s 3 and 2009 c 288 s 2 are each reenacted and amended to read as follows:

(1)~~((a))~~ When an offender has completed all requirements of the sentence, including any and all legal financial obligations, and while under the custody ~~((and))~~ or supervision of the department, the secretary or the secretary's designee shall notify the sentencing court, which shall discharge the offender and provide the offender with a certificate of discharge by issuing the certificate to the offender in person or by mailing the certificate to the offender's last known address. A certificate of discharge issued under this subsection (1) is effective on the date the offender completed all conditions of his or her sentence.

~~((b))~~~~((i))~~ (2)(a) When an offender has reached the end of his or her supervision with the department and has completed all the requirements of the sentence except his or her legal financial obligations, the secretary's designee shall provide the county clerk with a notice that the offender has completed all nonfinancial requirements of the sentence. The notice must list the specific sentence requirements that have been completed, so that it is clear to the sentencing court that the offender is entitled to discharge upon completion of the legal financial obligations of the sentence.

~~((ii))~~ (b) When the department has provided the county clerk with notice under (a) of this subsection showing that an offender has completed all the requirements of the sentence and the offender subsequently satisfies all legal financial obligations under the sentence, the county clerk shall promptly notify the sentencing court ~~((including the notice from the department, which)).~~ Upon receipt of the notice under this subsection (2)(b), the court shall discharge the offender and provide the offender with a certificate of discharge ((by issuing the certificate to the offender in person or by mailing the certificate to the offender's

~~last known address)). A certificate of discharge issued under this subsection (2) is effective on the date the offender completed all conditions of his or her sentence.~~

~~((c) When an offender who is subject to requirements of the sentence in addition to the payment of legal financial obligations either is not subject to supervision by the department or does not complete the requirements while under supervision of the department, it is the offender's responsibility to provide the court with verification of the completion of the sentence conditions other than the payment of legal financial obligations. When the offender satisfies all legal financial obligations under the sentence, the county clerk shall notify the sentencing court that the legal financial obligations have been satisfied. When the court has received both notification from the clerk and adequate verification from the offender that the sentence requirements have been completed, the court shall discharge the offender and provide the offender with))~~

~~(3) In the absence of a certificate of discharge issued under subsection (1) or (2) of this section, the offender may file a motion with the sentencing court for a certificate of discharge. The sentencing court shall issue a certificate of discharge upon verification of completion of all sentencing conditions, including any and all legal financial obligations. A certificate of discharge issued under this subsection (3) is effective on the date the offender completed all conditions of his or her sentence.~~

~~(4) In the absence of a certificate of discharge issued under subsection (1), (2), or (3) of this section, the offender may file a motion with the sentencing court for a certificate of discharge and shall provide verification of completion of all nonfinancial conditions of his or her sentence, unless the court finds good cause to waive this requirement. A certificate of discharge issued under this subsection (4) is effective on the later of: (a) Five years after completion of community custody, or if the offender was not required to serve community custody, after the completion of full and partial confinement; or (b) the date any and all legal financial obligations were satisfied.~~

~~(5) The court shall issue a certificate of discharge by issuing the certificate to the offender in person or by mailing the certificate to the offender's last known address.~~

~~((2)) (6)(a) ((For purposes of this subsection (2),)) A no-contact order is not a requirement of the offender's sentence. An offender who has completed all requirements of the sentence, including any and all legal financial obligations, is eligible for a certificate of discharge even if the offender has an existing no-contact order that excludes or prohibits the offender from having contact with a specified person or ((business)) entity or coming within a set distance of any specified location.~~

~~((b)) In the case of an eligible offender who has a no-contact order as part of the judgment and sentence, the offender may petition the sentencing court to issue a certificate of discharge and a separate no-contact order ((by filing a petition in the sentencing court and)), which must include paying the appropriate filing fee ((associated with the petition)) for the separate no-contact order. This filing fee does not apply to an offender seeking a certificate of discharge when the offender has a no-contact order separate from the judgment and sentence.~~

~~((i)(A) The court shall issue a certificate of discharge and a separate no-contact order under this subsection (2) if the court determines that the offender~~

~~has completed all requirements of the sentence, including all legal financial obligations.))~~ The court shall reissue the no-contact order separately under a new civil cause number for the remaining term and under the same conditions as contained in the judgment and sentence.

~~((B))~~ (b) The clerk of the court shall send a copy of the new no-contact order to the individuals or entities protected by the no-contact order, along with an explanation of the reason for the change, if there is an address available in the court file. If no address is available, the clerk of the court shall forward a copy of the order to the prosecutor, who shall send a copy of the no-contact order with an explanation of the reason for the change to the last known address of the protected individuals or entities.

~~((ii) Whenever an order under this subsection (2) is issued,))~~ (c) The clerk of the court shall forward a copy of the order to the appropriate law enforcement agency specified in the order on or before the next judicial day. The clerk shall also include a cover sheet that indicates the case number of the judgment and sentence that has been discharged. Upon receipt of the copy of the order and cover sheet, the law enforcement agency shall enter the order into any computer-based criminal intelligence information system available in this state used by law enforcement agencies to list outstanding warrants. The order shall remain in this system until it expires. The new order, and case number of the discharged judgment and sentence, shall be linked in the criminal intelligence information system for purposes of enforcing the no-contact order.

~~((iii))~~ (d) A separately issued no-contact order may be enforced under chapter 26.50 RCW.

~~((iv))~~ (e) A separate no-contact order issued under this subsection ~~((2))~~ (6) is not a modification of the offender's sentence.

~~((3))~~ (7) Every signed certificate and order of discharge shall be filed with the county clerk of the sentencing county. In addition, the court shall send to the department a copy of every signed certificate and order of discharge for offender sentences under the authority of the department. The county clerk shall enter into a database maintained by the administrator for the courts the names of all felons who have been issued certificates of discharge, the date of discharge, and the date of conviction and offense.

~~((4))~~ (8) An offender who is not convicted of a violent offense or a sex offense and is sentenced to a term involving community supervision may be considered for a discharge of sentence by the sentencing court prior to the completion of community supervision, provided that the offender has completed at least one-half of the term of community supervision and has met all other sentence requirements.

~~((5))~~ (9) The discharge shall have the effect of restoring all civil rights not already restored by RCW 29A.08.520, and the certificate of discharge shall so state. Nothing in this section prohibits the use of an offender's prior record for purposes of determining sentences for later offenses as provided in this chapter. Nothing in this section affects or prevents use of the offender's prior conviction in a later criminal prosecution either as an element of an offense or for impeachment purposes. A certificate of discharge is not based on a finding of rehabilitation.

~~((6))~~ (10) Unless otherwise ordered by the sentencing court, a certificate of discharge shall not terminate the offender's obligation to comply with an order

that excludes or prohibits the offender from having contact with a specified person or coming within a set distance of any specified location that was contained in the judgment and sentence. An offender who violates such an order after a certificate of discharge has been issued shall be subject to prosecution according to the chapter under which the order was originally issued.

~~((7))~~ (11) Upon release from custody, the offender may apply to the department for counseling and help in adjusting to the community. This voluntary help may be provided for up to one year following the release from custody.

Sec. 3. RCW 9.94A.640 and 2012 c 183 s 3 are each amended to read as follows:

(1) Every offender who has been discharged under RCW 9.94A.637 may apply to the sentencing court for a vacation of the offender's record of conviction. If the court finds the offender meets the tests prescribed in subsection (2) of this section, the court may clear the record of conviction by: (a) Permitting the offender to withdraw the offender's plea of guilty and to enter a plea of not guilty; or (b) if the offender has been convicted after a plea of not guilty, by the court setting aside the verdict of guilty; and (c) by the court dismissing the information or indictment against the offender.

(2) An offender may not have the record of conviction cleared if:

(a) There are any criminal charges against the offender pending in any court of this state or another state, or in any federal court;

(b) ~~The offense was a violent offense as defined in RCW 9.94A.030~~;

~~(e) the offense was a~~ or crime against persons as defined in RCW 43.43.830, except the following offenses may be vacated if the conviction did not include a firearm, deadly weapon, or sexual motivation enhancement: (i) Assault in the second degree under RCW 9A.36.021; (ii) assault in the third degree under RCW 9A.36.031 when not committed against a law enforcement officer or peace officer; and (iii) robbery in the second degree under RCW 9A.56.210;

~~((4))~~ (c) The offense is a class B felony and the offender has been convicted of a new crime in this state, another state, or federal court in the ten years prior to the application for vacation;

(d) The offense is a class C felony and the offender has been convicted of a new crime in this state, another state, or federal court ((since the date of the offender's discharge under RCW 9.94A.637)) in the five years prior to the application for vacation;

(e) The offense is a class B felony and less than ten years have passed since the ((date the applicant was discharged under RCW 9.94A.637)) later of: (i) The applicant's release from community custody; (ii) the applicant's release from full and partial confinement; or (iii) the applicant's sentencing date;

(f) The offense was a class C felony, other than a class C felony described in RCW 46.61.502(6) or 46.61.504(6), and less than five years have passed since the ((date the applicant was discharged under RCW 9.94A.637)) later of: (i) The applicant's release from community custody; (ii) the applicant's release from full and partial confinement; or (iii) the applicant's sentencing date; or

(g) The offense was a ((class C)) felony described in RCW 46.61.502((6)) or 46.61.504((6)).

(3)(a) Except as otherwise provided, once the court vacates a record of conviction under subsection (1) of this section, the fact that the offender has been convicted of the offense shall not be included in the offender's criminal history for purposes of determining a sentence in any subsequent conviction, and the offender shall be released from all penalties and disabilities resulting from the offense. For all purposes, including responding to questions on employment applications, an offender whose conviction has been vacated may state that the offender has never been convicted of that crime. A conviction that has been vacated under this section may not be disseminated or disclosed by the state patrol or local law enforcement agency to any person, except other criminal justice enforcement agencies. Nothing in this section affects or prevents the use of an offender's prior conviction in a later criminal prosecution, and nothing in this section affects the requirements for restoring a right to possess a firearm under RCW 9.41.040.

(b) A conviction vacated on or after the effective date of this section qualifies as a prior conviction for the purpose of charging a present recidivist offense occurring on or after the effective date of this section, and may be used to establish an ongoing pattern of abuse for purposes of RCW 9.94A.535.

Sec. 4. RCW 9.96.060 and 2017 c 336 s 2, 2017 c 272 s 9, and 2017 c 128 s 1 are each reenacted and amended to read as follows:

(1) Every person convicted of a misdemeanor or gross misdemeanor offense who has completed all of the terms of the sentence for the misdemeanor or gross misdemeanor offense may apply to the sentencing court for a vacation of the applicant's record of conviction for the offense. If the court finds the applicant meets the tests prescribed in subsection (2) of this section, the court may in its discretion vacate the record of conviction by: (a)(i) Permitting the applicant to withdraw the applicant's plea of guilty and to enter a plea of not guilty; or (ii) if the applicant has been convicted after a plea of not guilty, the court setting aside the verdict of guilty; and (b) the court dismissing the information, indictment, complaint, or citation against the applicant and vacating the judgment and sentence.

(2) An applicant may not have the record of conviction for a misdemeanor or gross misdemeanor offense vacated if any one of the following is present:

(a) There are any criminal charges against the applicant pending in any court of this state or another state, or in any federal or tribal court, at the time of application;

(b) The offense was a violent offense as defined in RCW 9.94A.030 or an attempt to commit a violent offense;

(c) The offense was a violation of RCW 46.61.502 (driving while under the influence), 46.61.504 (actual physical control while under the influence), 9.91.020 (operating a railroad, etc. while intoxicated), or the offense is considered a "prior offense" under RCW 46.61.5055 and the applicant has had a subsequent alcohol or drug violation within ten years of the date of arrest for the prior offense or less than ten years has elapsed since the date of the arrest for the prior offense;

(d) The offense was any misdemeanor or gross misdemeanor violation, including attempt, of chapter 9.68 RCW (obscenity and pornography), chapter 9.68A RCW (sexual exploitation of children), or chapter 9A.44 RCW (sex offenses), except for failure to register as a sex offender under RCW 9A.44.132;

(e) The applicant was convicted of a misdemeanor or gross misdemeanor offense as defined in RCW 10.99.020, or the court determines after a review of the court file that the offense was committed by one family member or household member against another, or the court, after considering the damage to person or property that resulted in the conviction, any prior convictions for crimes defined in RCW 10.99.020, or for comparable offenses in another state or in federal court, and the totality of the records under review by the court regarding the conviction being considered for vacation, determines that the offense involved domestic violence, and any one of the following factors exist:

(i) The applicant has not provided written notification of the vacation petition to the prosecuting attorney's office that prosecuted the offense for which vacation is sought, or has not provided that notification to the court;

(ii) The applicant has ~~((previously had a conviction for domestic violence))~~ two or more domestic violence convictions stemming from different incidents. For purposes of this subsection, however, if the current application is for more than one conviction that arose out of a single incident, none of those convictions counts as a previous conviction;

(iii) The applicant has signed an affidavit under penalty of perjury affirming that the applicant has not previously had a conviction for a domestic violence offense, and a criminal history check reveals that the applicant has had such a conviction; or

(iv) Less than five years have elapsed since the person completed the terms of the original conditions of the sentence, including any financial obligations and successful completion of any treatment ordered as a condition of sentencing;

(f) For any offense other than those described in (e) of this subsection, less than three years have passed since the person completed the terms of the sentence, including any financial obligations;

(g) The offender has been convicted of a new crime in this state, another state, or federal or tribal court ~~((since the date of conviction))~~ in the three years prior to the vacation application; or

(h) ~~((The applicant has ever had the record of another conviction vacated; or~~

~~(+))~~ The applicant is currently restrained~~((, or has been restrained within five years prior to the vacation application,))~~ by a domestic violence protection order, a no-contact order, an antiharassment order, or a civil restraining order which restrains one party from contacting the other party or was previously restrained by such an order and was found to have committed one or more violations of the order in the five years prior to the vacation application.

(3) Subject to RCW 9.96.070, every person convicted of prostitution under RCW 9A.88.030 who committed the offense as a result of being a victim of trafficking, RCW 9A.40.100, promoting prostitution in the first degree, RCW 9A.88.070, promoting commercial sexual abuse of a minor, RCW 9.68A.101, or trafficking in persons under the trafficking victims protection act of 2000, 22 U.S.C. Sec. 7101 et seq. may apply to the sentencing court for vacation of the applicant's record of conviction for the prostitution offense. An applicant may not have the record of conviction for prostitution vacated if any one of the following is present:

(a) There are any criminal charges against the applicant pending in any court of this state or another state, or in any federal court, for any crime other than prostitution; or

(b) The offender has been convicted of another crime, except prostitution, in this state, another state, or federal court since the date of conviction. The limitation in this subsection (3)(b) does not apply to convictions where the offender proves by a preponderance of the evidence that he or she committed the crime as a result of being a victim of trafficking, RCW 9A.40.100, promoting prostitution in the first degree, RCW 9A.88.070, promoting commercial sexual abuse of a minor, RCW 9.68A.101, or trafficking in persons under the trafficking victims protection act of 2000, 22 U.S.C. Sec. 7101 et seq., according to the requirements provided in RCW 9.96.070 for each respective conviction.

(4) Every person convicted prior to January 1, 1975, of violating any statute or rule regarding the regulation of fishing activities, including, but not limited to, RCW 75.08.260, 75.12.060, 75.12.070, 75.12.160, 77.16.020, 77.16.030, 77.16.040, 77.16.060, and 77.16.240 who claimed to be exercising a treaty Indian fishing right, may apply to the sentencing court for vacation of the applicant's record of the misdemeanor, gross misdemeanor, or felony conviction for the offense. If the person is deceased, a member of the person's family or an official representative of the tribe of which the person was a member may apply to the court on behalf of the deceased person. Notwithstanding the requirements of RCW 9.94A.640, the court shall vacate the record of conviction if:

(a) The applicant is a member of a tribe that may exercise treaty Indian fishing rights at the location where the offense occurred; and

(b) The state has been enjoined from taking enforcement action of the statute or rule to the extent that it interferes with a treaty Indian fishing right as determined under *United States v. Washington*, 384 F. Supp. 312 (W.D. Wash. 1974), or *Sohappy v. Smith*, 302 F. Supp. 899 (D. Oregon 1969), and any posttrial orders of those courts, or any other state supreme court or federal court decision.

(5)(a) Except as provided in (c) of this subsection, once the court vacates a record of conviction under this section, the person shall be released from all penalties and disabilities resulting from the offense and the fact that the person has been convicted of the offense shall not be included in the person's criminal history for purposes of determining a sentence in any subsequent conviction. For all purposes, including responding to questions on employment or housing applications, a person whose conviction has been vacated under this section may state that he or she has never been convicted of that crime. However, nothing in this section affects the requirements for restoring a right to possess a firearm under RCW 9.41.040. Except as provided in (b) of this subsection, nothing in this section affects or prevents the use of an offender's prior conviction in a later criminal prosecution.

(b) When a court vacates a record of domestic violence as defined in RCW 10.99.020 under this section, the state may not use the vacated conviction in a later criminal prosecution unless the conviction was for: (i) Violating the provisions of a restraining order, no-contact order, or protection order restraining or enjoining the person or restraining the person from going on to the grounds of or entering a residence, workplace, school, or day care, or prohibiting the person from knowingly coming within, or knowingly remaining within, a specified distance of a location (RCW 10.99.040, 10.99.050, 26.09.300, 26.10.220, ~~((26.26.138))~~ 26.26B.050, 26.44.063, 26.44.150, 26.50.060, 26.50.070, 26.50.130, 26.52.070, or 74.34.145); or (ii) stalking (RCW 9A.46.110). A

vacated conviction under this section is not considered a conviction of such an offense for the purposes of 27 C.F.R. 478.11.

~~((6) All costs incurred by the court and probation services shall be paid by the person making the motion to vacate the record unless a determination is made pursuant to chapter 10.101 RCW that the person making the motion is indigent, at the time the motion is brought.~~

(7)) (c) A conviction vacated on or after the effective date of this section qualifies as a prior conviction for the purpose of charging a present recidivist offense as defined in RCW 9.94A.030 occurring on or after the effective date of this section.

(6) The clerk of the court in which the vacation order is entered shall immediately transmit the order vacating the conviction to the Washington state patrol identification section and to the local police agency, if any, which holds criminal history information for the person who is the subject of the conviction. The Washington state patrol and any such local police agency shall immediately update their records to reflect the vacation of the conviction, and shall transmit the order vacating the conviction to the federal bureau of investigation. A conviction that has been vacated under this section may not be disseminated or disclosed by the state patrol or local law enforcement agency to any person, except other criminal justice enforcement agencies.

Sec. 5. RCW 9.94A.030 and 2018 c 166 s 3 are each amended to read as follows:

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

(1) "Board" means the indeterminate sentence review board created under chapter 9.95 RCW.

(2) "Collect," or any derivative thereof, "collect and remit," or "collect and deliver," when used with reference to the department, means that the department, either directly or through a collection agreement authorized by RCW 9.94A.760, is responsible for monitoring and enforcing the offender's sentence with regard to the legal financial obligation, receiving payment thereof from the offender, and, consistent with current law, delivering daily the entire payment to the superior court clerk without depositing it in a departmental account.

(3) "Commission" means the sentencing guidelines commission.

(4) "Community corrections officer" means an employee of the department who is responsible for carrying out specific duties in supervision of sentenced offenders and monitoring of sentence conditions.

(5) "Community custody" means that portion of an offender's sentence of confinement in lieu of earned release time or imposed as part of a sentence under this chapter and served in the community subject to controls placed on the offender's movement and activities by the department.

(6) "Community protection zone" means the area within eight hundred eighty feet of the facilities and grounds of a public or private school.

(7) "Community restitution" means compulsory service, without compensation, performed for the benefit of the community by the offender.

(8) "Confinement" means total or partial confinement.

(9) "Conviction" means an adjudication of guilt pursuant to Title 10 or 13 RCW and includes a verdict of guilty, a finding of guilty, and acceptance of a plea of guilty.

(10) "Crime-related prohibition" means an order of a court prohibiting conduct that directly relates to the circumstances of the crime for which the offender has been convicted, and shall not be construed to mean orders directing an offender affirmatively to participate in rehabilitative programs or to otherwise perform affirmative conduct. However, affirmative acts necessary to monitor compliance with the order of a court may be required by the department.

(11) "Criminal history" means the list of a defendant's prior convictions and juvenile adjudications, whether in this state, in federal court, or elsewhere, and any issued certificates of restoration of opportunity pursuant to RCW 9.97.020.

(a) The history shall include, where known, for each conviction (i) whether the defendant has been placed on probation and the length and terms thereof; and (ii) whether the defendant has been incarcerated and the length of incarceration.

(b) A conviction may be removed from a defendant's criminal history only if it is vacated pursuant to RCW 9.96.060, 9.94A.640, 9.95.240, or a similar out-of-state statute, or if the conviction has been vacated pursuant to a governor's pardon. However, when a defendant is charged with a recidivist offense, "criminal history" includes a vacated prior conviction for the sole purpose of establishing that such vacated prior conviction constitutes an element of the present recidivist offense as provided in RCW 9.94A.640(3)(b) and 9.96.060(5)(c).

(c) The determination of a defendant's criminal history is distinct from the determination of an offender score. A prior conviction that was not included in an offender score calculated pursuant to a former version of the sentencing reform act remains part of the defendant's criminal history.

(12) "Criminal street gang" means any ongoing organization, association, or group of three or more persons, whether formal or informal, having a common name or common identifying sign or symbol, having as one of its primary activities the commission of criminal acts, and whose members or associates individually or collectively engage in or have engaged in a pattern of criminal street gang activity. This definition does not apply to employees engaged in concerted activities for their mutual aid and protection, or to the activities of labor and bona fide nonprofit organizations or their members or agents.

(13) "Criminal street gang associate or member" means any person who actively participates in any criminal street gang and who intentionally promotes, furthers, or assists in any criminal act by the criminal street gang.

(14) "Criminal street gang-related offense" means any felony or misdemeanor offense, whether in this state or elsewhere, that is committed for the benefit of, at the direction of, or in association with any criminal street gang, or is committed with the intent to promote, further, or assist in any criminal conduct by the gang, or is committed for one or more of the following reasons:

(a) To gain admission, prestige, or promotion within the gang;

(b) To increase or maintain the gang's size, membership, prestige, dominance, or control in any geographical area;

(c) To exact revenge or retribution for the gang or any member of the gang;

(d) To obstruct justice, or intimidate or eliminate any witness against the gang or any member of the gang;

(e) To directly or indirectly cause any benefit, aggrandizement, gain, profit, or other advantage for the gang, its reputation, influence, or membership; or

(f) To provide the gang with any advantage in, or any control or dominance over any criminal market sector, including, but not limited to, manufacturing, delivering, or selling any controlled substance (chapter 69.50 RCW); arson (chapter 9A.48 RCW); trafficking in stolen property (chapter 9A.82 RCW); promoting prostitution (chapter 9A.88 RCW); human trafficking (RCW 9A.40.100); promoting commercial sexual abuse of a minor (RCW 9.68A.101); or promoting pornography (chapter 9.68 RCW).

(15) "Day fine" means a fine imposed by the sentencing court that equals the difference between the offender's net daily income and the reasonable obligations that the offender has for the support of the offender and any dependents.

(16) "Day reporting" means a program of enhanced supervision designed to monitor the offender's daily activities and compliance with sentence conditions, and in which the offender is required to report daily to a specific location designated by the department or the sentencing court.

(17) "Department" means the department of corrections.

(18) "Determinate sentence" means a sentence that states with exactitude the number of actual years, months, or days of total confinement, of partial confinement, of community custody, the number of actual hours or days of community restitution work, or dollars or terms of a legal financial obligation. The fact that an offender through earned release can reduce the actual period of confinement shall not affect the classification of the sentence as a determinate sentence.

(19) "Disposable earnings" means that part of the earnings of an offender remaining after the deduction from those earnings of any amount required by law to be withheld. For the purposes of this definition, "earnings" means compensation paid or payable for personal services, whether denominated as wages, salary, commission, bonuses, or otherwise, and, notwithstanding any other provision of law making the payments exempt from garnishment, attachment, or other process to satisfy a court-ordered legal financial obligation, specifically includes periodic payments pursuant to pension or retirement programs, or insurance policies of any type, but does not include payments made under Title 50 RCW, except as provided in RCW 50.40.020 and 50.40.050, or Title 74 RCW.

(20) "Domestic violence" has the same meaning as defined in RCW 10.99.020 and 26.50.010.

(21) "Drug offender sentencing alternative" is a sentencing option available to persons convicted of a felony offense other than a violent offense or a sex offense and who are eligible for the option under RCW 9.94A.660.

(22) "Drug offense" means:

(a) Any felony violation of chapter 69.50 RCW except possession of a controlled substance (RCW 69.50.4013) or forged prescription for a controlled substance (RCW 69.50.403);

(b) Any offense defined as a felony under federal law that relates to the possession, manufacture, distribution, or transportation of a controlled substance; or

(c) Any out-of-state conviction for an offense that under the laws of this state would be a felony classified as a drug offense under (a) of this subsection.

(23) "Earned release" means earned release from confinement as provided in RCW 9.94A.728.

(24) "Electronic monitoring" means tracking the location of an individual, whether pretrial or posttrial, through the use of technology that is capable of determining or identifying the monitored individual's presence or absence at a particular location including, but not limited to:

(a) Radio frequency signaling technology, which detects if the monitored individual is or is not at an approved location and notifies the monitoring agency of the time that the monitored individual either leaves the approved location or tampers with or removes the monitoring device; or

(b) Active or passive global positioning system technology, which detects the location of the monitored individual and notifies the monitoring agency of the monitored individual's location.

(25) "Escape" means:

(a) Sexually violent predator escape (RCW 9A.76.115), escape in the first degree (RCW 9A.76.110), escape in the second degree (RCW 9A.76.120), willful failure to return from furlough (RCW 72.66.060), willful failure to return from work release (RCW 72.65.070), or willful failure to be available for supervision by the department while in community custody (RCW 72.09.310); or

(b) Any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as an escape under (a) of this subsection.

(26) "Felony traffic offense" means:

(a) Vehicular homicide (RCW 46.61.520), vehicular assault (RCW 46.61.522), eluding a police officer (RCW 46.61.024), felony hit-and-run injury-accident (RCW 46.52.020(4)), felony driving while under the influence of intoxicating liquor or any drug (RCW 46.61.502(6)), or felony physical control of a vehicle while under the influence of intoxicating liquor or any drug (RCW 46.61.504(6)); or

(b) Any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as a felony traffic offense under (a) of this subsection.

(27) "Fine" means a specific sum of money ordered by the sentencing court to be paid by the offender to the court over a specific period of time.

(28) "First-time offender" means any person who has no prior convictions for a felony and is eligible for the first-time offender waiver under RCW 9.94A.650.

(29) "Home detention" is a subset of electronic monitoring and means a program of partial confinement available to offenders wherein the offender is confined in a private residence twenty-four hours a day, unless an absence from the residence is approved, authorized, or otherwise permitted in the order by the court or other supervising agency that ordered home detention, and the offender is subject to electronic monitoring.

(30) "Homelessness" or "homeless" means a condition where an individual lacks a fixed, regular, and adequate nighttime residence and who has a primary nighttime residence that is:

(a) A supervised, publicly or privately operated shelter designed to provide temporary living accommodations;

(b) A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings; or

(c) A private residence where the individual stays as a transient invitee.

(31) "Legal financial obligation" means a sum of money that is ordered by a superior court of the state of Washington for legal financial obligations which may include restitution to the victim, statutorily imposed crime victims' compensation fees as assessed pursuant to RCW 7.68.035, court costs, county or interlocal drug funds, court-appointed attorneys' fees, and costs of defense, fines, and any other financial obligation that is assessed to the offender as a result of a felony conviction. Upon conviction for vehicular assault while under the influence of intoxicating liquor or any drug, RCW 46.61.522(1)(b), or vehicular homicide while under the influence of intoxicating liquor or any drug, RCW 46.61.520(1)(a), legal financial obligations may also include payment to a public agency of the expense of an emergency response to the incident resulting in the conviction, subject to RCW 38.52.430.

(32) "Minor child" means a biological or adopted child of the offender who is under age eighteen at the time of the offender's current offense.

(33) "Most serious offense" means any of the following felonies or a felony attempt to commit any of the following felonies:

(a) Any felony defined under any law as a class A felony or criminal solicitation of or criminal conspiracy to commit a class A felony;

(b) Assault in the second degree;

(c) Assault of a child in the second degree;

(d) Child molestation in the second degree;

(e) Controlled substance homicide;

(f) Extortion in the first degree;

(g) Incest when committed against a child under age fourteen;

(h) Indecent liberties;

(i) Kidnapping in the second degree;

(j) Leading organized crime;

(k) Manslaughter in the first degree;

(l) Manslaughter in the second degree;

(m) Promoting prostitution in the first degree;

(n) Rape in the third degree;

(o) Robbery in the second degree;

(p) Sexual exploitation;

(q) Vehicular assault, when caused by the operation or driving of a vehicle by a person while under the influence of intoxicating liquor or any drug or by the operation or driving of a vehicle in a reckless manner;

(r) Vehicular homicide, when proximately caused by the driving of any vehicle by any person while under the influence of intoxicating liquor or any drug as defined by RCW 46.61.502, or by the operation of any vehicle in a reckless manner;

(s) Any other class B felony offense with a finding of sexual motivation;

(t) Any other felony with a deadly weapon verdict under RCW 9.94A.825;

(u) Any felony offense in effect at any time prior to December 2, 1993, that is comparable to a most serious offense under this subsection, 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 most serious offense under this subsection;

(v)(i) A prior conviction for indecent liberties under RCW 9A.44.100(1) (a), (b), and (c), chapter 260, Laws of 1975 1st ex. sess. as it existed until July 1, 1979, RCW 9A.44.100(1) (a), (b), and (c) as it existed from July 1, 1979, until June 11, 1986, and RCW 9A.44.100(1) (a), (b), and (d) as it existed from June 11, 1986, until July 1, 1988;

(ii) A prior conviction for indecent liberties under RCW 9A.44.100(1)(c) as it existed from June 11, 1986, until July 1, 1988, if: (A) The crime was committed against a child under the age of fourteen; or (B) the relationship between the victim and perpetrator is included in the definition of indecent liberties under RCW 9A.44.100(1)(c) as it existed from July 1, 1988, through July 27, 1997, or RCW 9A.44.100(1) (d) or (e) as it existed from July 25, 1993, through July 27, 1997;

(w) Any out-of-state conviction for a felony offense with a finding of sexual motivation if the minimum sentence imposed was ten years or more; provided that the out-of-state felony offense must be comparable to a felony offense under this title and Title 9A RCW and the out-of-state definition of sexual motivation must be comparable to the definition of sexual motivation contained in this section.

(34) "Nonviolent offense" means an offense which is not a violent offense.

(35) "Offender" means a person who has committed a felony established by state law and is eighteen years of age or older or is less than eighteen years of age but whose case is under superior court jurisdiction under RCW 13.04.030 or has been transferred by the appropriate juvenile court to a criminal court pursuant to RCW 13.40.110. In addition, for the purpose of community custody requirements under this chapter, "offender" also means a misdemeanor or gross misdemeanor probationer ordered by a superior court to probation pursuant to RCW 9.92.060, 9.95.204, or 9.95.210 and supervised by the department pursuant to RCW 9.94A.501 and 9.94A.5011. Throughout this chapter, the terms "offender" and "defendant" are used interchangeably.

(36) "Partial confinement" means confinement for no more than one year in a facility or institution operated or utilized under contract by the state or any other unit of government, or, if home detention, electronic monitoring, or work crew has been ordered by the court or home detention has been ordered by the department as part of the parenting program or the graduated reentry program, in an approved residence, for a substantial portion of each day with the balance of the day spent in the community. Partial confinement includes work release, home detention, work crew, electronic monitoring, and a combination of work crew, electronic monitoring, and home detention.

(37) "Pattern of criminal street gang activity" means:

(a) The commission, attempt, conspiracy, or solicitation of, or any prior juvenile adjudication of or adult conviction of, two or more of the following criminal street gang-related offenses:

(i) Any "serious violent" felony offense as defined in this section, excluding Homicide by Abuse (RCW 9A.32.055) and Assault of a Child 1 (RCW 9A.36.120);

(ii) Any "violent" offense as defined by this section, excluding Assault of a Child 2 (RCW 9A.36.130);

(iii) Deliver or Possession with Intent to Deliver a Controlled Substance (chapter 69.50 RCW);

(iv) Any violation of the firearms and dangerous weapon act (chapter 9.41 RCW);

(v) Theft of a Firearm (RCW 9A.56.300);

(vi) Possession of a Stolen Firearm (RCW 9A.56.310);

(vii) Malicious Harassment (RCW 9A.36.080);

(viii) Harassment where a subsequent violation or deadly threat is made (RCW 9A.46.020(2)(b));

(ix) Criminal Gang Intimidation (RCW 9A.46.120);

(x) Any felony conviction by a person eighteen years of age or older with a special finding of involving a juvenile in a felony offense under RCW 9.94A.833;

(xi) Residential Burglary (RCW 9A.52.025);

(xii) Burglary 2 (RCW 9A.52.030);

(xiii) Malicious Mischief 1 (RCW 9A.48.070);

(xiv) Malicious Mischief 2 (RCW 9A.48.080);

(xv) Theft of a Motor Vehicle (RCW 9A.56.065);

(xvi) Possession of a Stolen Motor Vehicle (RCW 9A.56.068);

(xvii) Taking a Motor Vehicle Without Permission 1 (RCW 9A.56.070);

(xviii) Taking a Motor Vehicle Without Permission 2 (RCW 9A.56.075);

(xix) Extortion 1 (RCW 9A.56.120);

(xx) Extortion 2 (RCW 9A.56.130);

(xxi) Intimidating a Witness (RCW 9A.72.110);

(xxii) Tampering with a Witness (RCW 9A.72.120);

(xxiii) Reckless Endangerment (RCW 9A.36.050);

(xxiv) Coercion (RCW 9A.36.070);

(xxv) Harassment (RCW 9A.46.020); or

(xxvi) Malicious Mischief 3 (RCW 9A.48.090);

(b) That at least one of the offenses listed in (a) of this subsection shall have occurred after July 1, 2008;

(c) That the most recent committed offense listed in (a) of this subsection occurred within three years of a prior offense listed in (a) of this subsection; and

(d) Of the offenses that were committed in (a) of this subsection, the offenses occurred on separate occasions or were committed by two or more persons.

(38) "Persistent offender" is an offender who:

(a)(i) Has been convicted in this state of any felony considered a most serious offense; and

(ii) Has, before the commission of the offense under (a) of this subsection, been convicted as an offender on at least two separate occasions, whether in this state or elsewhere, of felonies that under the laws of this state would be considered most serious offenses and would be included in the offender score under RCW 9.94A.525; provided that of the two or more previous convictions, at least one conviction must have occurred before the commission of any of the other most serious offenses for which the offender was previously convicted; or

(b)(i) Has been convicted of: (A) Rape in the first degree, rape of a child in the first degree, child molestation in the first degree, rape in the second degree, rape of a child in the second degree, or indecent liberties by forcible compulsion; (B) any of the following offenses with a finding of sexual motivation: Murder in the first degree, murder in the second degree, homicide by abuse, kidnapping in

the first degree, kidnapping in the second degree, assault in the first degree, assault in the second degree, assault of a child in the first degree, assault of a child in the second degree, or burglary in the first degree; or (C) an attempt to commit any crime listed in this subsection (38)(b)(i); and

(ii) Has, before the commission of the offense under (b)(i) of this subsection, been convicted as an offender on at least one occasion, whether in this state or elsewhere, of an offense listed in (b)(i) of this subsection or any federal or out-of-state offense or offense under prior Washington law that is comparable to the offenses listed in (b)(i) of this subsection. A conviction for rape of a child in the first degree constitutes a conviction under (b)(i) of this subsection only when the offender was sixteen years of age or older when the offender committed the offense. A conviction for rape of a child in the second degree constitutes a conviction under (b)(i) of this subsection only when the offender was eighteen years of age or older when the offender committed the offense.

(39) "Predatory" means: (a) The perpetrator of the crime was a stranger to the victim, as defined in this section; (b) the perpetrator established or promoted a relationship with the victim prior to the offense and the victimization of the victim was a significant reason the perpetrator established or promoted the relationship; or (c) the perpetrator was: (i) A teacher, counselor, volunteer, or other person in authority in any public or private school and the victim was a student of the school under his or her authority or supervision. For purposes of this subsection, "school" does not include home-based instruction as defined in RCW 28A.225.010; (ii) a coach, trainer, volunteer, or other person in authority in any recreational activity and the victim was a participant in the activity under his or her authority or supervision; (iii) a pastor, elder, volunteer, or other person in authority in any church or religious organization, and the victim was a member or participant of the organization under his or her authority; or (iv) a teacher, counselor, volunteer, or other person in authority providing home-based instruction and the victim was a student receiving home-based instruction while under his or her authority or supervision. For purposes of this subsection: (A) "Home-based instruction" has the same meaning as defined in RCW 28A.225.010; and (B) "teacher, counselor, volunteer, or other person in authority" does not include the parent or legal guardian of the victim.

(40) "Private school" means a school regulated under chapter 28A.195 or 28A.205 RCW.

(41) "Public school" has the same meaning as in RCW 28A.150.010.

(42) "Repetitive domestic violence offense" means any:

(a)(i) Domestic violence assault that is not a felony offense under RCW 9A.36.041;

(ii) Domestic violence violation of a no-contact order under chapter 10.99 RCW that is not a felony offense;

(iii) Domestic violence violation of a protection order under chapter 26.09, 26.10, (~~26.26~~) 26.26B, or 26.50 RCW that is not a felony offense;

(iv) Domestic violence harassment offense under RCW 9A.46.020 that is not a felony offense; or

(v) Domestic violence stalking offense under RCW 9A.46.110 that is not a felony offense; or

(b) Any federal, out-of-state, tribal court, military, county, or municipal conviction for an offense that under the laws of this state would be classified as a repetitive domestic violence offense under (a) of this subsection.

(43) "Restitution" means a specific sum of money ordered by the sentencing court to be paid by the offender to the court over a specified period of time as payment of damages. The sum may include both public and private costs.

(44) "Risk assessment" means the application of the risk instrument recommended to the department by the Washington state institute for public policy as having the highest degree of predictive accuracy for assessing an offender's risk of reoffense.

(45) "Serious traffic offense" means:

(a) Nonfelony driving while under the influence of intoxicating liquor or any drug (RCW 46.61.502), nonfelony actual physical control while under the influence of intoxicating liquor or any drug (RCW 46.61.504), reckless driving (RCW 46.61.500), or hit-and-run an attended vehicle (RCW 46.52.020(5)); or

(b) Any federal, out-of-state, county, or municipal conviction for an offense that under the laws of this state would be classified as a serious traffic offense under (a) of this subsection.

(46) "Serious violent offense" is a subcategory of violent offense and means:

(a)(i) Murder in the first degree;

(ii) Homicide by abuse;

(iii) Murder in the second degree;

(iv) Manslaughter in the first degree;

(v) Assault in the first degree;

(vi) Kidnapping in the first degree;

(vii) Rape in the first degree;

(viii) Assault of a child in the first degree; or

(ix) An attempt, criminal solicitation, or criminal conspiracy to commit one of these felonies; or

(b) 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 under (a) of this subsection.

(47) "Sex offense" means:

(a)(i) A felony that is a violation of chapter 9A.44 RCW other than RCW 9A.44.132;

(ii) A violation of RCW 9A.64.020;

(iii) A felony that is a violation of chapter 9.68A RCW other than RCW 9.68A.080;

(iv) A felony that is, under chapter 9A.28 RCW, a criminal attempt, criminal solicitation, or criminal conspiracy to commit such crimes; or

(v) A felony violation of RCW 9A.44.132(1) (failure to register as a sex offender) if the person has been convicted of violating RCW 9A.44.132(1) (failure to register as a sex offender) or 9A.44.130 prior to June 10, 2010, on at least one prior occasion;

(b) Any conviction for a felony offense in effect at any time prior to July 1, 1976, that is comparable to a felony classified as a sex offense in (a) of this subsection;

(c) A felony with a finding of sexual motivation under RCW 9.94A.835 or 13.40.135; or

(d) Any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as a sex offense under (a) of this subsection.

(48) "Sexual motivation" means that one of the purposes for which the defendant committed the crime was for the purpose of his or her sexual gratification.

(49) "Standard sentence range" means the sentencing court's discretionary range in imposing a nonappealable sentence.

(50) "Statutory maximum sentence" means the maximum length of time for which an offender may be confined as punishment for a crime as prescribed in chapter 9A.20 RCW, RCW 9.92.010, the statute defining the crime, or other statute defining the maximum penalty for a crime.

(51) "Stranger" means that the victim did not know the offender twenty-four hours before the offense.

(52) "Total confinement" means confinement inside the physical boundaries of a facility or institution operated or utilized under contract by the state or any other unit of government for twenty-four hours a day, or pursuant to RCW 72.64.050 and 72.64.060.

(53) "Transition training" means written and verbal instructions and assistance provided by the department to the offender during the two weeks prior to the offender's successful completion of the work ethic camp program. The transition training shall include instructions in the offender's requirements and obligations during the offender's period of community custody.

(54) "Victim" means any person who has sustained emotional, psychological, physical, or financial injury to person or property as a direct result of the crime charged.

(55) "Violent offense" means:

(a) Any of the following felonies:

(i) Any felony defined under any law as a class A felony or an attempt to commit a class A felony;

(ii) Criminal solicitation of or criminal conspiracy to commit a class A felony;

(iii) Manslaughter in the first degree;

(iv) Manslaughter in the second degree;

(v) Indecent liberties if committed by forcible compulsion;

(vi) Kidnapping in the second degree;

(vii) Arson in the second degree;

(viii) Assault in the second degree;

(ix) Assault of a child in the second degree;

(x) Extortion in the first degree;

(xi) Robbery in the second degree;

(xii) Drive-by shooting;

(xiii) Vehicular assault, when caused by the operation or driving of a vehicle by a person while under the influence of intoxicating liquor or any drug or by the operation or driving of a vehicle in a reckless manner; and

(xiv) Vehicular homicide, when proximately caused by the driving of any vehicle by any person while under the influence of intoxicating liquor or any

drug as defined by RCW 46.61.502, or by the operation of any vehicle in a reckless manner;

(b) Any conviction for a felony offense in effect at any time prior to July 1, 1976, that is comparable to a felony classified as a violent offense in (a) of this subsection; and

(c) Any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as a violent offense under (a) or (b) of this subsection.

(56) "Work crew" means a program of partial confinement consisting of civic improvement tasks for the benefit of the community that complies with RCW 9.94A.725.

(57) "Work ethic camp" means an alternative incarceration program as provided in RCW 9.94A.690 designed to reduce recidivism and lower the cost of corrections by requiring offenders to complete a comprehensive array of real-world job and vocational experiences, character-building work ethics training, life management skills development, substance abuse rehabilitation, counseling, literacy training, and basic adult education.

(58) "Work release" means a program of partial confinement available to offenders who are employed or engaged as a student in a regular course of study at school.

(59) "Recidivist offense" means a felony offense where a prior conviction of the same offense or other specified offense is an element of the crime including, but not limited to:

(a) Assault in the fourth degree where domestic violence is pleaded and proven, RCW 9A.36.041(3);

(b) Cyberstalking, RCW 9.61.260(3)(a);

(c) Harassment, RCW 9A.46.020(2)(b)(i);

(d) Indecent exposure, RCW 9A.88.010(2)(c);

(e) Stalking, RCW 9A.46.110(5)(b) (i) and (iii);

(f) Telephone harassment, RCW 9.61.230(2)(a); and

(g) Violation of a no-contact or protection order, RCW 26.50.110(5).

Passed by the House April 18, 2019.

Passed by the Senate April 3, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 332

[Engrossed Second Substitute House Bill 1105]

PROPERTY TAX DELINQUENCY--TAXPAYER PROTECTIONS

AN ACT Relating to protecting taxpayers from home foreclosure; amending RCW 84.56.020, 84.64.225, 36.35.110, and 84.64.050; adding a new section to chapter 84.56 RCW; adding a new section to chapter 36.29 RCW; adding a new section to chapter 36.21 RCW; and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 84.56.020 and 2017 c 142 s 1 are each amended to read as follows:

Treasurers' tax collection duties.

(1) The county treasurer must be the receiver and collector of all taxes extended upon the tax rolls of the county, whether levied for state, county, school, bridge, road, municipal or other purposes, and also of all fines, forfeitures or penalties received by any person or officer for the use of his or her county. No treasurer may accept tax payments or issue receipts for the same until the treasurer has completed the tax roll for the current year's collection and provided notification of the completion of the roll. Notification may be accomplished electronically, by posting a notice in the office, or through other written communication as determined by the treasurer. All real and personal property taxes and assessments made payable by the provisions of this title are due and payable to the county treasurer on or before the thirtieth day of April and, except as provided in this section, are delinquent after that date.

Tax statements.

(2)(a) Tax statements for the current year's collection must be distributed to each taxpayer on or before March 15th provided that:

(i) All city and other taxing district budgets have been submitted to county legislative authorities by November 30th per RCW 84.52.020;

(ii) The county legislative authority in turn has certified taxes levied to the county assessor by November 30th per RCW 84.52.070; and

(iii) The county assessor has delivered the tax roll to the county treasurer by January 15th per RCW 84.52.080.

(b) Each tax statement must include a notice that checks for payment of taxes may be made payable to "Treasurer of County" or other appropriate office, but tax statements may not include any suggestion that checks may be made payable to the name of the individual holding the office of treasurer nor any other individual.

(c) Each tax statement distributed to an address must include a notice with information describing the:

(i) Property tax exemption program pursuant to RCW 84.36.379 through 84.36.389; and

(ii) Property tax deferral program pursuant to chapter 84.38 RCW.

Tax payment due dates.

On-time tax payments: First-half taxes paid by April 30th and second-half taxes paid by October 31st.

(3) When the total amount of tax or special assessments on personal property or on any lot, block or tract of real property payable by one person is fifty dollars or more, and if one-half of such tax is paid on or before the thirtieth day of April, the remainder of such tax is due and payable on or before the following thirty-first day of October and is delinquent after that date.

Delinquent tax payments for current year: First-half taxes paid after April 30th.

(4) When the total amount of tax or special assessments on any lot, block or tract of real property or on any mobile home payable by one person is fifty dollars or more, and if one-half of such tax is paid after the thirtieth day of April but before the thirty-first day of October, together with the applicable interest and penalty on the full amount of tax payable for that year, the remainder of such tax is due and payable on or before the following thirty-first day of October and is delinquent after that date.

Delinquent tax payments: Interest, penalties, and treasurer duties.

(5) Except as provided in (c) of this subsection, delinquent taxes under this section are subject to interest at the rate of twelve percent per annum computed on a monthly basis on the amount of tax delinquent from the date of delinquency until paid. Interest must be calculated at the rate in effect at the time of the tax payment, regardless of when the taxes were first delinquent. In addition, delinquent taxes under this section are subject to penalties as follows:

(a) A penalty of three percent of the amount of tax delinquent is assessed on the tax delinquent on June 1st of the year in which the tax is due.

(b) An additional penalty of eight percent is assessed on the delinquent tax amount on December 1st of the year in which the tax is due.

(c) If a taxpayer is successfully participating in a payment agreement under subsection ~~((12))~~ (15)(b) of this section or a partial payment program pursuant to subsection ~~((13))~~ (15)(c) of this section, the county treasurer may not assess additional penalties on delinquent taxes that are included within the payment agreement. Interest and penalties that have been assessed prior to the payment agreement remain due and payable as provided in the payment agreement.

(6) A county treasurer must provide notification to each taxpayer whose taxes have become delinquent under subsections (4) and (5) of this section. The delinquency notice must specify where the taxpayer can obtain information regarding:

(a) Any current tax or special assessments due as of the date of the notice;

(b) Any delinquent tax or special assessments due, including any penalties and interest, as of the date of the notice; and

(c) Where the taxpayer can pay his or her property taxes directly and contact information, including but not limited to the phone number, for the statewide foreclosure hotline recommended by the Washington state housing finance commission.

(7) Within ninety days after the expiration of two years from the date of delinquency (when a taxpayer's taxes have become delinquent), the county treasurer must provide the name and property address of the delinquent taxpayer to a homeownership resource center or any other designated local or state entity recommended by the Washington state housing finance commission.

Collection of foreclosure costs.

(8)(a) When real property taxes become delinquent and prior to the filing of the certificate of delinquency, the treasurer is authorized to assess and collect tax foreclosure avoidance costs.

(b) ~~((For the purposes of this section, "tax foreclosure avoidance costs" means those direct costs associated with the administration of properties subject to and prior to foreclosure. Tax foreclosure avoidance costs include:~~

~~(i) Compensation of employees for the time devoted to administering the avoidance of property foreclosure; and~~

~~(ii) The cost of materials, services, or equipment acquired, consumed, or expended in administering tax foreclosure avoidance prior to the filing of a certificate of delinquency.~~

~~(e))~~ When tax foreclosure avoidance costs are collected, such costs must be credited to the county treasurer service fund account, except as otherwise directed.

~~((d))~~ (c) For purposes of chapter 84.64 RCW, any taxes, interest, or penalties deemed delinquent under this section remain delinquent until such time

as all taxes, interest, and penalties for the tax year in which the taxes were first due and payable have been paid in full.

~~((7))~~ **Periods of armed conflict.**

~~(9)~~ Subsection (5) of this section notwithstanding, no interest or penalties may be assessed during any period of armed conflict regarding delinquent taxes imposed on the personal residences owned by active duty military personnel who are participating as part of one of the branches of the military involved in the conflict and assigned to a duty station outside the territorial boundaries of the United States.

~~((8))~~ **State of emergency.**

~~(10)~~ During a state of emergency declared under RCW 43.06.010(12), the county treasurer, on his or her own motion or at the request of any taxpayer affected by the emergency, may grant extensions of the due date of any taxes payable under this section as the treasurer deems proper.

~~((9))~~ **Retention of funds from interest.**

~~(11)~~ All collections of interest on delinquent taxes must be credited to the county current expense fund.

~~((10))~~ ~~(12)~~ For purposes of this chapter, "interest" means both interest and penalties.

~~((11))~~ **Retention of funds from property foreclosures and sales.**

~~(13)~~ The direct cost of foreclosure and sale of real property, and the direct fees and costs of distraint and sale of personal property, for delinquent taxes, must, when collected, be credited to the operation and maintenance fund of the county treasurer prosecuting the foreclosure or distraint or sale; and must be used by the county treasurer as a revolving fund to defray the cost of further foreclosure, distraint, and sale because of delinquent taxes without regard to budget limitations and not subject to indirect costs of other charges.

~~((12))~~ ~~(a))~~ **Tax due dates and options for tax payment collections. Electronic billings and payments.**

~~(14)~~ For purposes of this chapter, and in accordance with this section and RCW 36.29.190, the treasurer may collect taxes, assessments, fees, rates, interest, and charges by electronic billing and payment. Electronic billing and payment may be used as an option by the taxpayer, but the treasurer may not require the use of electronic billing and payment. Electronic bill presentment and payment may be on a monthly or other periodic basis as the treasurer deems proper for:

- ~~(a)~~ Delinquent tax year payments (~~only or for~~); and
- ~~(b)~~ Prepayments of current tax.

Tax payments.

Prepayment for current taxes.

~~(15)~~ ~~(a)~~ The treasurer may accept prepayments for current year taxes by any means authorized. All prepayments must be paid in full by the due date specified in ~~((e) of this)~~ subsection (16) of this section. ~~((Payments on past due taxes must include collection of the oldest delinquent year, which includes interest and taxes within a twelve-month period, prior to filing a certificate of delinquency under chapter 84.64 RCW or distraint pursuant to RCW 84.56.070.))~~

Payment agreements for current year taxes.

~~(b)~~ ~~(i)~~ The treasurer may provide, by electronic means or otherwise, a payment agreement that provides for payment of current year taxes, inclusive of

prepayment collection charges. The payment agreement must be signed by the taxpayer and treasurer or the treasurer's deputy prior to the sending of an electronic or alternative bill, which includes a payment plan for current year taxes.

Payment agreements for delinquent year taxes.

~~(ii)(A)~~ The treasurer may provide, by electronic means or otherwise, a payment agreement for payment of past due delinquencies(~~(, which must also require current year taxes to be paid timely)~~). The payment agreement must be signed by the taxpayer and treasurer or the treasurer's deputy prior to the sending of an electronic or alternative bill, which includes a payment plan for ~~((current year taxes. The treasurer may accept partial payment of current and delinquent taxes including interest and penalties using electronic bill presentment and payments.~~

~~(e))~~ past due delinquent taxes and charges.

(B) Tax payments received by a treasurer for delinquent year taxes from a taxpayer participating on a payment agreement must be applied first to the oldest delinquent year unless such taxpayer requests otherwise.

Partial payments: Acceptance of partial payments for current and delinquent taxes.

(c)(i) In addition to the payment agreement program in (b) of this subsection, the treasurer may accept partial payment of any current and delinquent taxes including interest and penalties by any means authorized including electronic bill presentment and payments.

(ii) All tax payments received by a treasurer for delinquent year taxes from a taxpayer paying a partial payment must be applied first to the oldest delinquent year unless such taxpayer requests otherwise.

Payment for delinquent taxes.

(d) Payments on past due taxes must include collection of the oldest delinquent year, which includes interest, penalties, and taxes within an eighteen-month period, prior to filing a certificate of delinquency under chapter 84.64 RCW or distraint pursuant to RCW 84.56.070.

Due date for tax payments.

(16) All taxes upon real and personal property made payable by the provisions of this title are due and payable to the treasurer on or before the thirtieth day of April and are delinquent after that date. The remainder of the tax is due and payable on or before the following thirty-first of October and is delinquent after that date. All other assessments, fees, rates, and charges are delinquent after the due date.

~~((+))~~ **Electronic funds transfers.**

(17) A county treasurer may authorize payment of:

(a) Any current property taxes due under this chapter by electronic funds transfers on a monthly or other periodic basis; and

(b) Any past due property taxes, penalties, and interest under this chapter by electronic funds transfers on a monthly or other periodic basis. Delinquent taxes are subject to interest and penalties, as provided in subsection (5) of this section. All tax payments received by a treasurer from a taxpayer paying delinquent year taxes must be applied first to the oldest delinquent year unless such taxpayer requests otherwise.

~~((e))~~ **Payment for administering prepayment collections.**

(18) The treasurer must pay any collection costs, investment earnings, or both on past due payments or prepayments to the credit of a county treasurer service fund account to be created and used only for the payment of expenses incurred by the treasurer, without limitation, in administering the system for collecting prepayments.

~~((13) In addition to the payment program in subsection (12)(b) of this section, the treasurer may accept partial payment of current and delinquent taxes including interest and penalties by any means authorized.~~

~~(14) For purposes of this section unless the context clearly requires otherwise, the following definitions apply:))~~

Waiver of interest and penalties for qualified taxpayers subject to foreclosure.

(19) No earlier than sixty days prior to the date that is three years after the date of delinquency, the treasurer must waive all outstanding interest and penalties on delinquent taxes due from a taxpayer if the property is subject to an action for foreclosure under chapter 84.64 RCW and the following requirements are met:

(a) The taxpayer is income-qualified under RCW 84.36.381(5)(a), as verified by the county assessor;

(b) The taxpayer occupies the property as their principal place of residence;
and

(c) The taxpayer has not previously received a waiver on the property as provided under this subsection.

Definitions.

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

(a) "Electronic billing and payment" means statements, invoices, or bills that are created, delivered, and paid using the internet. The term includes an automatic electronic payment from a person's checking account, debit account, or credit card.

(b) "Internet" has the same meaning as provided in RCW 19.270.010.

(c) "Tax foreclosure avoidance costs" means those direct costs associated with the administration of properties subject to and prior to foreclosure. Tax foreclosure avoidance costs include:

(i) Compensation of employees for the time devoted to administering the avoidance of property foreclosure; and

(ii) The cost of materials, services, or equipment acquired, consumed, or expended in administering tax foreclosure avoidance prior to the filing of a certificate of delinquency.

Sec. 2. RCW 84.64.225 and 2015 c 95 s 11 are each amended to read as follows:

(1) In lieu of the sale procedure specified in RCW 84.56.070 or 84.64.080, the county treasurer may conduct a public auction sale by electronic media as provided in RCW 36.16.145.

(2) Notice of a public auction sale by electronic media must be substantially in the following form:

TAX JUDGMENT SALE BY ELECTRONIC MEDIA

Public notice is hereby given that pursuant to a tax judgment of the superior court of the county of in the state of Washington, and an order of sale duly issued by the court, entered the day of,, in proceedings for foreclosure of tax liens, I shall on the day of,, commencing at o'clock, at . . [specify web site address], sell the property to the highest and best bidder to satisfy the full amount of taxes, interest, and costs adjudged to be due. Prospective bidders must deposit to participate in bidding. A deposit paid by a winning bidder will be applied to the balance due. However, a winning bidder who does not comply with the terms of sale will forfeit the deposit. Deposits paid by nonwinning bidders will be refunded within ten business days of the close of the sale. Payment of deposits and a winning bid must be made by electronic funds transfer. In the case of an online public auction sale by electronic media as provided in RCW 36.16.145, a winning bidder is allowed no less than forty-eight hours to pay the winning bid by electronic funds transfer.

In witness whereof, I have affixed my hand and seal this day of,

Treasurer of county.

Sec. 3. RCW 36.35.110 and 2013 c 221 s 2 are each amended to read as follows:

(1) No claims are allowed against the county from any municipality, school district, road district or other taxing district for taxes levied on property acquired by the county by tax deed under the provisions of this chapter, but all taxes must at the time of deeding the property be thereby canceled. However, the proceeds of any sale of any property acquired by the county by tax deed must first be applied to reimburse the county for the costs of foreclosure and sale. The remainder of the proceeds, if any, must be applied to pay any amounts deferred under chapter 84.37 or 84.38 RCW on the property, including accrued interest, and outstanding at the time the county acquired the property by tax deed. The remainder of the proceeds, if any, must be justly apportioned to the various funds existing at the date of the sale, in the territory in which such property is located, according to the tax levies of the year last in process of collection.

(2) For purposes of this section, "costs of foreclosure and sale" means those costs of foreclosing on the property that, when collected, are subject to RCW 84.56.020(~~(9)~~) (13), and the direct costs incurred by the county in selling the property.

Sec. 4. RCW 84.64.050 and 2013 c 221 s 12 are each amended to read as follows:

(1) Except as provided in subsection (7) of this section, after the expiration of three years from the date of delinquency, when any property remains on the tax rolls for which no certificate of delinquency has been issued, the county treasurer must proceed to issue certificates of delinquency on the property to the county for all years' taxes, interest, and costs. However, the county treasurer, with the consent of the county legislative authority, may elect to issue a certificate for fewer than all years' taxes, interest, and costs to a minimum of the taxes, interest, and costs for the earliest year.

(2) Certificates of delinquency are prima facie evidence that:

(a) The property described was subject to taxation at the time the same was assessed;

(b) The property was assessed as required by law;

(c) The taxes or assessments were not paid at any time before the issuance of the certificate;

(d) Such certificate has the same force and effect as a *lis pendens* required under chapter 4.28 RCW.

(3) The county treasurer may include in the certificate of delinquency any assessments which are due on the property and are the responsibility of the county treasurer to collect. However, if the department of revenue has previously notified the county treasurer in writing that the property has a lien on it for deferred property taxes, the county treasurer must include in the certificate of delinquency any amounts deferred under chapters 84.37 and 84.38 RCW that remain unpaid, including accrued interest and costs.

(4) The treasurer must file the certificates when completed with the clerk of the court at no cost to the treasurer, and the treasurer must thereupon, with legal assistance from the county prosecuting attorney, proceed to foreclose in the name of the county, the tax liens embraced in such certificates. Notice and summons must be served or notice given in a manner reasonably calculated to inform the owner or owners, and any person having a recorded interest in or lien of record upon the property, of the foreclosure action to appear within thirty days after service of such notice and defend such action or pay the amount due. Either (a) personal service upon the owner or owners and any person having a recorded interest in or lien of record upon the property, or (b) publication once in a newspaper of general circulation, which is circulated in the area of the property and mailing of notice by certified mail to the owner or owners and any person having a recorded interest in or lien of record upon the property, or, if a mailing address is unavailable, personal service upon the occupant of the property, if any, is sufficient. If such notice is returned as unclaimed, the treasurer must send notice by regular first-class mail. The notice must include the legal description on the tax rolls, the year or years for which assessed, the amount of tax and interest due, and the name of owner, or reputed owner, if known, and the notice must include the local street address, if any, for informational purposes only. The certificates of delinquency issued to the county may be issued in one general certificate in book form including all property, and the proceedings to foreclose the liens against the property may be brought in one action and all persons interested in any of the property involved in the proceedings may be made codefendants in the action, and if unknown may be therein named as unknown owners, and the publication of such notice is sufficient service thereof on all persons interested in the property described therein, except as provided above. The person or persons whose name or names appear on the treasurer's rolls as the owner or owners of the property must be considered and treated as the owner or owners of the property for the purpose of this section, and if upon the treasurer's rolls it appears that the owner or owners of the property are unknown, then the property must be proceeded against, as belonging to an unknown owner or owners, as the case may be, and all persons owning or claiming to own, or having or claiming to have an interest therein, are hereby required to take notice of the proceedings and of any and all steps thereunder. However, prior to the sale of the property, the treasurer must order or conduct a title search of the property

to be sold to determine the legal description of the property to be sold and the record title holder, and if the record title holder or holders differ from the person or persons whose name or names appear on the treasurer's rolls as the owner or owners, the record title holder or holders must be considered and treated as the owner or owners of the property for the purpose of this section, and are entitled to the notice provided for in this section. Such title search must be included in the costs of foreclosure.

(5) If the title search required by subsection (4) of this section reveals a lien in favor of the state for deferred taxes on the property under RCW 84.37.070 or 84.38.100 and such deferred taxes are not already included in the certificate of delinquency, the county treasurer must issue an amended certificate of delinquency on the property to include the outstanding amount of deferred taxes, including accrued interest. The amended certificate of delinquency must be filed with the clerk of the court as provided in subsection (4) of this section.

(6) The county treasurer may not sell property that is eligible for deferral of taxes under chapter 84.38 RCW but must require the owner of the property to file a declaration to defer taxes under chapter 84.38 RCW.

(7) Except those parcels where the local governing entity has declared and/or certified the parcel a nuisance affecting public peace, safety, and welfare, or other similar code provision, in no case may a certificate of delinquency be filed on property where the tax delinquency under chapter 84.56 RCW is one hundred dollars or less in total excluding interest and penalties.

NEW SECTION, Sec. 5. A new section is added to chapter 84.56 RCW to read as follows:

(1) If a taxpayer requests assistance for payment of current year or delinquent taxes, the county assessor, if applicable:

(a) May assist the taxpayer in applying for a property tax exemption program under RCW 84.36.379 through 84.36.389;

(b) May assist the taxpayer in applying for the property tax deferral program under chapter 84.38 RCW; and

(c) Must refer the taxpayer to the statewide foreclosure hotline recommended by the Washington state housing finance commission.

(2) A county treasurer may also refer a taxpayer requesting tax payment assistance to the county assessor's office under subsection (1) of this section.

NEW SECTION, Sec. 6. A new section is added to chapter 36.29 RCW to read as follows:

(1) The county treasurer must post a notice describing the:

(a) Property tax exemption program pursuant to RCW 84.36.379 through 84.36.389; and

(b) Property tax deferral program pursuant to chapter 84.38 RCW.

(2) The notice required under subsection (1) of this section must be posted in a location visible to the public.

NEW SECTION, Sec. 7. A new section is added to chapter 36.21 RCW to read as follows:

(1) The county assessor must post a notice describing the:

(a) Property tax exemption program pursuant to RCW 84.36.379 through 84.36.389; and

(b) Property tax deferral program pursuant to chapter 84.38 RCW.

(2) The notice required under subsection (1) of this section must be posted in a location visible to the public.

NEW SECTION. Sec. 8. This act takes effect January 1, 2020.

Passed by the House April 18, 2019.

Passed by the Senate April 11, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 333

[Second Substitute House Bill 1216]

SCHOOL SAFETY AND STUDENT WELL-BEING

AN ACT Relating to nonfirearm measures to increase school safety and student well-being; amending RCW 38.52.040, 28A.320.125, 28A.300.273, 28A.300.490, 28A.320.126, and 28A.320.1271; adding new sections to chapter 28A.300 RCW; adding a new section to chapter 28A.310 RCW; adding new sections to chapter 28A.320 RCW; creating new sections; repealing RCW 28A.310.505; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. INTENT. (1) The legislature recognizes that school safety supports effective teaching and learning by creating and promoting a physically, emotionally, socially, behaviorally, and academically secure climate for students, staff, and visitors. Keeping a school safe involves planning for the prevention of, intervention in, mitigation of, protection from, response to, and recovery from various natural, physical, social, emotional, biological, and technological threats and trauma to an individual, the school, and the community.

(2) The legislature has taken steps over the years to improve the safety of public school students by, for example: (a) Requiring schools and school districts to have school safety plans in place; (b) requiring school districts to have plans for recognition, initial screening, and response to emotional or behavioral distress in students, including indicators of possible substance abuse, violence, youth suicide, and sexual abuse; (c) requiring the use of a statewide first responder building mapping information system; (d) requiring school districts to adopt policies and procedures to prevent harassment, intimidation, and bullying, including cyberbullying; and (e) prohibiting firearms and other dangerous weapons on school premises.

(3) The legislature finds that many school districts need additional supports to keep their schools safe. The legislature intends to establish a statewide network of the structural components necessary to enhance student safety in schools so that students have a sense of well-being and can focus on learning. This network, or system, of comprehensive school safety supports is based on the work of the state school safety center, which supports the regional school safety centers at each educational service district. The regional school safety centers, in collaboration with community school safety stakeholders, support the efforts of the local school districts and schools to bring best practices in school safety to every school and classroom in the state. The school safety and student well-being advisory committee provides ongoing advice to the state and regional school safety centers, as well as public and private schools. The state and

regional school safety centers, together with the school safety and student well-being advisory committee, bring together caring adults, including those who work directly with students every day, to define school safety problems at the state and local levels and identify solutions to those problems, such as creating needed programs and identifying necessary supports. Creating a system of comprehensive school safety supports will maximize the use of state and local resources so that every student can attend a school with a safe, healthy, and supportive learning environment.

NEW SECTION. Sec. 2. A new section is added to chapter 28A.300 RCW to read as follows:

STATE SCHOOL SAFETY CENTER.

(1) Subject to the availability of amounts appropriated for this specific purpose, the superintendent of public instruction shall establish a school safety center as provided in this section.

(2) The center, working in conjunction with the regional school safety centers established in section 3 of this act, forms a statewide network for school safety.

(3) The center, in collaboration with staff in the office of the superintendent of public instruction, must:

(a) Serve as a clearinghouse for information regarding comprehensive school safety planning and practice;

(b) Disseminate information regarding school safety incidents in Washington and across the country;

(c) Develop and maintain a public web site to increase the availability of information, research, and other materials related to school safety;

(d) Serve as the lead school safety center, and work in conjunction with the regional school safety centers, to support school districts efforts to meet state requirements regarding school safety including the development and implementation of:

(i) Comprehensive safe school plans as required by RCW 28A.320.125; and

(ii) Plans for recognition, initial screening, and response to emotional or behavioral distress in students as required by RCW 28A.320.127;

(e) Develop model school safety policies and procedures and identify best practices in school safety;

(f) Work in conjunction with the regional school safety centers to plan for the provision of school safety trainings and to provide technical assistance;

(g) Hold an annual school safety summit as required by RCW 28A.300.273;

(h) Support the required activities of the regional school safety centers, established in section 3 of this act; and

(i) Perform other functions consistent with the purpose of the center, as described in this section.

NEW SECTION. Sec. 3. A new section is added to chapter 28A.310 RCW to read as follows:

REGIONAL SCHOOL SAFETY CENTERS.

(1) Subject to the availability of amounts appropriated for this specific purpose, each educational service district must establish a regional school safety center as provided in this section.

(2) The regional school safety centers working in collaboration with one another and the state school safety center, established in section 2 of this act, form a statewide network for school safety. The purpose of this statewide network is to provide coordination of school safety efforts throughout the state and to provide school safety resources to the school districts in each educational service district region.

(3) Working in collaboration with the office of the superintendent of public instruction and the statewide network, each regional school safety center must provide to the school districts in its region:

(a) Behavioral health coordination that, at a minimum, includes:

(i) Providing support for school district development and implementation of plans for recognition, initial screening, and response to emotional or behavioral distress in students as required by RCW 28A.320.127;

(ii) Suicide prevention training for school counselors, school psychologists, and school social workers;

(iii) Facilitating partnerships and coordination between school districts, public schools, and existing regional and local systems of behavioral health care services and supports in order to increase student and family access to the services and supports;

(iv) Assisting school districts and public schools in building capacity to identify and support students in need of behavioral health care services and to link students and families with community-based behavioral health care services;

(v) Identifying, sharing, and integrating, to the extent practicable, behavioral and physical health care service delivery models;

(vi) Providing medicaid billing related training, technical assistance, and coordination between school districts; and

(vii) Guidance in implementing best practices in response to, and to recover from, the suicide or attempted suicide of a student;

(b) School-based threat assessment coordination that, at a minimum, includes:

(i) Providing training and technical assistance regarding the use of the model policy and procedure to establish a school-based threat assessment program, developed under section 6 of this act;

(ii) Assisting with ongoing identification and implementation of best practices for school-based threat assessment programs, described under section 5 of this act; and

(iii) Building partnerships with community partners, such as behavioral health providers, law enforcement agencies, emergency responders, juvenile justice organizations, and child welfare agencies, for the purpose of implementing school-based threat assessment programs that comply with best practices;

(c) Assistance with coordinating other entities in the region to provide support to school districts before emergencies occur;

(d) Plan, coordinate, and deliver the trainings required by this subsection (3), and other school district staff trainings related to school safety, in order to maximize quality professional learning;

(e) Technical assistance to school districts seeking funding for first aid, health, and safety and security resources;

(f) Information about systems and programs that allow anonymous reporting of student concerns;

(g) Real-time support and assistance for school districts in crisis, such as offering information, technical assistance associated with best practices, and staff trained in responding to school emergencies;

(h) Develop collaborative relationships with community organizations, private schools, businesses, and others interested in supporting safe schools; and

(i) Other services consistent with state and federal school safety requirements, including comprehensive safe school planning under RCW 28A.320.125.

(4) The regional school safety centers may, based on the needs of the school districts in their region, and in collaboration with emergency responders, provide assistance to, and facilitate communication between, emergency responders and schools or school districts impacted by emergency situations.

NEW SECTION. Sec. 4. A new section is added to chapter 28A.300 RCW to read as follows:

SCHOOL SAFETY AND STUDENT WELL-BEING ADVISORY COMMITTEE.

(1) The school safety and student well-being advisory committee is established within the office of the superintendent of public instruction. The purpose of the committee is to advise the superintendent, the office of the superintendent of public instruction's school safety center, the regional school safety centers, school districts, and public and private schools on all matters related to comprehensive school safety and student well-being.

(2) The superintendent of public instruction must appoint the members of the committee. The members must represent the following sectors, agencies, and organizations, at a minimum: The various state education associations, including teachers associations, the association of colleges for teacher education, and associations for educational staff associates; the educational service districts; the state ethnic commissions; the governor's office of Indian affairs; parent organizations; student organizations; private schools; emergency management; behavioral health; public health; law enforcement; and emergency first responders.

(3) The committee shall:

(a) Make recommendations to those it advises on policies and strategies to improve school safety and student well-being;

(b) Identify emerging issues and best practices for consideration and implementation, particularly as these relate to the integration of student well-being and school safety;

(c) Establish priorities for training, funding, statewide data collection, and other forms of support for students, schools, and school districts;

(d) Engage the public on school safety and student well-being; and

(e) Perform other duties as required by law.

(4) By November 15, 2020, and by November 15th every even year thereafter, and in compliance with RCW 43.01.036, the committee must coordinate with the office of the superintendent of public instruction's school safety center to submit a report to the appropriate committees of the legislature. The report must summarize the committee's activities during the past biennium, include recommended state policies and strategies for improving school safety

and student well-being, provide an estimate of the cost to implement each recommendation, and prioritize the recommendations.

(5) Staff support for the committee must be provided by the office of the superintendent of public instruction.

(6) The committee must meet at least quarterly.

(7) Members are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for other members is subject to chapter 43.03 RCW.

NEW SECTION. Sec. 5. A new section is added to chapter 28A.320 RCW to read as follows:

SCHOOL-BASED THREAT ASSESSMENT PROGRAM.

(1) At a minimum, a school-based threat assessment program must:

(a) Provide for timely and methodical school-based threat assessment and management;

(b) Be prompted by the behavior of a student rather than some combination of a student's demographic and personal characteristics;

(c) Convene a multidisciplinary, multiagency team, including special education teachers and practicing educational staff associates, to:

(i) Identify and assess the behavior of a student that is threatening, or potentially threatening, to self, other students, staff, school visitors, or school property;

(ii) Gather and analyze information about the student's behavior to determine a level of concern for the threat that focuses on situational variables, rather than the student's demographic or personal characteristics;

(iii) Depending on the determined level of concern, develop and implement intervention strategies to manage the student's behavior in ways that promote a safe, supportive teaching and learning environment, without excluding the student from the school; and

(iv) In the case of the threatening, or potentially threatening, behavior of a student with disabilities, align intervention strategies with the student's individualized education program or plan developed under section 504 of the rehabilitation act of 1973 by coordinating with the student's individualized education program or section 504 plan team;

(d) Create guidelines for each threat assessment team to collect, report, and review quantitative data on its activities; and

(e) Prohibit suspension or expulsion based merely on threat assessment referral or performance.

(2) By the beginning of the 2020-21 school year, each school district shall adopt a policy and procedure to establish a school-based threat assessment program that meets the requirements of subsection (1) of this section. The school district policy and procedure must be consistent with the model policy and procedure developed under section 6 of this act, and with other school district policies, procedures, and plans addressing safe and supportive learning environments.

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

(a) "School-based threat assessment" means the formal process, established by a school district, of evaluating the threatening, or potentially threatening,

behavior of a student, and the circumstances surrounding the threat, to uncover any facts or evidence that the threat is likely to be carried out.

(b) "School-based threat management" means the development and implementation of a plan to manage or reduce the threatening, or potentially threatening, behavior of a student in a way that increases the physical and psychological safety of students, staff, and visitors, while providing for the education of all students.

NEW SECTION. Sec. 6. A new section is added to chapter 28A.300 RCW to read as follows:

MODEL SCHOOL-BASED THREAT ASSESSMENT POLICY AND PROCEDURE.

(1) The Washington state school directors' association, in collaboration with the office of the superintendent of public instruction, shall develop a model policy and procedure to establish a school-based threat assessment program that meets the requirements of section 5 of this act. The model policy and procedure must be posted on the web site of the state school safety center, established in section 2 of this act, by January 1, 2020.

(2) In developing the model policy and procedure, the Washington state school directors' association and the office of the superintendent of public instruction must:

(a) Consult with the school safety and student well-being advisory committee, established under section 4 of this act, and other organizations with expertise in school safety, behavioral health, the rights of students with disabilities, and protecting civil liberties; and

(b) Consider multilevel threat assessment programs implemented in schools in Washington.

NEW SECTION. Sec. 7. A new section is added to chapter 28A.300 RCW to read as follows:

DATA COLLECTION AND MONITORING.

(1) Subject to the availability of amounts appropriated for this specific purpose, in order to ensure that public schools and school districts are meeting the requirements of RCW 28A.320.125 relating to comprehensive safe school plans, RCW 28A.320.127 related to plans for recognition, initial screening, and response to emotional or behavioral distress in students, and section 5 of this act relating to school-based threat assessment programs, the superintendent of public instruction shall monitor these programs no less than once every five years.

(2) The superintendent of public instruction must consult with interested stakeholders to develop data collection and submission requirements for school districts as they relate to RCW 28A.320.125 relating to comprehensive safe school plans, RCW 28A.320.127 related to plans for recognition, initial screening, and response to emotional or behavioral distress in students, and section 5 of this act relating to school-based threat assessment programs.

(3) By December 1, 2020, and in compliance with RCW 43.01.036, the office of the superintendent of public instruction must report to the appropriate committees of the legislature regarding the office's plans for data collection and monitoring under this section and describing any implementation issues that could be fixed through legislation.

(4) The superintendent of public instruction may adopt rules under chapter 34.05 RCW to implement this section.

NEW SECTION. Sec. 8. FIRST RESPONDER BUILDING MAPPING INFORMATION SYSTEM STUDY. (1) The joint legislative audit and review committee shall conduct a study of school districts' use of the first responder mapping information system under RCW 36.28A.060. The office of the superintendent of public instruction and the Washington association of sheriffs and police chiefs shall provide advice and assistance to the committee's effort to collect information from school districts, law enforcement, and emergency first responders.

(2) The study must seek to identify:

(a) Which school districts are using the system under RCW 36.28A.060;

(b) Which law enforcement, emergency first responder, and emergency management agencies have access to the system;

(c) Whether, and to what extent, law enforcement, emergency first responder, and emergency management agencies use the system when responding to actual safety or security incidents at or around schools;

(d) How school districts use the system, including whether it is used in school safety-related drills required under RCW 28A.320.125;

(e) How soon after building or remodeling a school, do school districts update the system;

(f) Whether school districts are using alternative methods consistent with the system, as allowed under RCW 28A.320.125(2), and, if so, why these districts are not using the system;

(g) What are the school districts' costs for using the system or any alternative methods;

(h) Whether the system is interoperable with other systems used by school districts and educational service districts;

(i) What training school district staff receive on using the system;

(j) Whether it would be efficient and effective to coordinate use of the system through the educational service districts; and

(k) What aspects of the system school districts, law enforcement agencies, and emergency first responder agencies find helpful and what aspects, if any, could be improved, including technology updates.

(3) By January 31, 2020, and in compliance with RCW 43.01.036, the committee must provide a report to the appropriate committees of the legislature that describes the results of the study.

(4) This section expires August 31, 2021.

Sec. 9. RCW 38.52.040 and 2015 c 274 s 17 are each amended to read as follows:

EMERGENCY MANAGEMENT COUNCIL CONSULTATION WITH EDUCATION EXPERTS.

(1) There is hereby created the emergency management council (hereinafter called the council), to consist of not more than ~~((seventeen))~~ eighteen members who shall be appointed by the adjutant general. The membership of the council shall include, but not be limited to, representatives of city and county governments, sheriffs and police chiefs, the Washington state patrol, the military department, the department of ecology, state and local fire chiefs, seismic safety

experts, state and local emergency management directors, search and rescue volunteers, medical professions who have expertise in emergency medical care, building officials, ~~((and))~~ private industry; and the office of the superintendent of public instruction. The representatives of private industry shall include persons knowledgeable in emergency and hazardous materials management. The councilmembers shall elect a chair from within the council membership. The members of the council shall serve without compensation, but may be reimbursed for their travel expenses incurred in the performance of their duties in accordance with RCW 43.03.050 and 43.03.060 as now existing or hereafter amended.

(2) The emergency management council shall advise the governor and the director on all matters pertaining to state and local emergency management. The council may appoint such ad hoc committees, subcommittees, and working groups as are required to develop specific recommendations for the improvement of emergency management practices, standards, policies, or procedures. The council shall ensure that the governor receives an annual assessment of statewide emergency preparedness including, but not limited to, specific progress on hazard mitigation and reduction efforts, implementation of seismic safety improvements, reduction of flood hazards, and coordination of hazardous materials planning and response activities. The council shall review administrative rules governing state and local emergency management practices and recommend necessary revisions to the director.

(3) The council or a council subcommittee shall serve and periodically convene in special session as the state emergency response commission required by the emergency planning and community right-to-know act (42 U.S.C. Sec. 11001 et seq.). The state emergency response commission shall conduct those activities specified in federal statutes and regulations and state administrative rules governing the coordination of hazardous materials policy including, but not limited to, review of local emergency planning committee emergency response plans for compliance with the planning requirements in the emergency planning and community right-to-know act (42 U.S.C. Sec. 11001 et seq.). Committees shall annually review their plans to address changed conditions, and submit their plans to the state emergency response commission for review when updated, but not less than at least once every five years. The department may employ staff to assist local emergency planning committees in the development and annual review of these emergency response plans, with an initial focus on the highest risk communities through which trains that transport oil in bulk travel. By March 1, 2018, the department shall report to the governor and legislature on progress towards compliance with planning requirements. The report must also provide budget and policy recommendations for continued support of local emergency planning.

(4)(a) The intrastate mutual aid committee is created and is a subcommittee of the emergency management council. The intrastate mutual aid committee consists of not more than five members who must be appointed by the council chair from council membership. The chair of the intrastate mutual aid committee is the military department representative appointed as a member of the council. Meetings of the intrastate mutual aid committee must be held at least annually.

(b) In support of the intrastate mutual aid system established in chapter 38.56 RCW, the intrastate mutual aid committee shall develop and update

guidelines and procedures to facilitate implementation of the intrastate mutual aid system by member jurisdictions, including but not limited to the following: Projected or anticipated costs; checklists and forms for requesting and providing assistance; recordkeeping; reimbursement procedures; and other implementation issues. These guidelines and procedures are not subject to the rule-making requirements of chapter 34.05 RCW.

(5) On emergency management issues that involve early learning, kindergarten through twelfth grade, or higher education, the emergency management council must consult with representatives from the following organizations: The department of children, youth, and families; the office of the superintendent of public instruction; the state board for community and technical colleges; and an association of public baccalaureate degree granting institutions.

Sec. 10. RCW 28A.320.125 and 2017 c 165 s 1 are each amended to read as follows:

MODIFYING DRILL REQUIREMENTS.

(1) The legislature considers it to be a matter of public safety for public schools and staff to have current safe school plans and procedures in place, fully consistent with federal law. The legislature further finds and intends, by requiring safe school plans to be in place, that school districts will become eligible for federal assistance. The legislature further finds that schools are in a position to serve the community in the event of an emergency resulting from natural disasters or man-made disasters.

(2) Schools and school districts shall consider the guidance and resources provided by the ~~((superintendent of public instruction, including the comprehensive school safety checklist and the model comprehensive safe school plans that include prevention, intervention, all hazard/ crisis response, and post-incident recovery))~~ state school safety center, established under section 2 of this act, and the regional school safety centers, established under section 3 of this act, when developing their own individual comprehensive safe school plans. Each school district shall adopt ~~((, no later than September 1, 2008,))~~ and implement a safe school plan consistent with the school mapping information system pursuant to RCW 36.28A.060. The plan shall:

(a) Include required school safety policies and procedures;
 (b) Address emergency mitigation, preparedness, response, and recovery;
 (c) Include provisions for assisting and communicating with students and staff, including those with special needs or disabilities;
 (d) Include a family-student reunification plan, including procedures for communicating the reunification plan to staff, students, families, and emergency responders;

~~((e))~~ (e) Use the training guidance provided by the Washington emergency management division of the state military department in collaboration with the ((Washington)) state school safety center in the office of the superintendent of public instruction ((school safety center)), established under section 2 of this act, and the school safety ((center)) and student well-being advisory committee, established under section 4 of this act;

~~((f))~~ (f) Require the building principal to be certified on the incident command system;

~~((g))~~ (g) Take into account the manner in which the school facilities may be used as a community asset in the event of a community-wide emergency; and

~~((g))~~ (h) Set guidelines for requesting city or county law enforcement agencies, local fire departments, emergency service providers, and county emergency management agencies to meet with school districts and participate in safety-related drills.

(3) To the extent funds are available, school districts shall annually:

(a) Review and update safe school plans in collaboration with local emergency response agencies;

(b) Conduct an inventory of all hazardous materials;

(c) Update information on the school mapping information system to reflect current staffing and updated plans, including:

(i) Identifying all staff members who are trained on the national incident management system, trained on the incident command system, or are certified on the incident command system; and

(ii) Identifying school transportation procedures for evacuation, to include bus staging areas, evacuation routes, communication systems, parent-student reunification sites, and secondary transportation agreements consistent with the school mapping information system; and

(d) Provide information to all staff on the use of emergency supplies and notification and alert procedures.

(4) To the extent funds are available, school districts shall annually record and report on the information and activities required in subsection (3) of this section to the Washington association of sheriffs and police chiefs.

(5) School districts are encouraged to work with local emergency management agencies and other emergency responders to conduct one tabletop exercise, one functional exercise, and two full-scale exercises within a four-year period.

(6)(a) Due to geographic location, schools have unique safety challenges. It is the responsibility of school principals and administrators to assess the threats and hazards most likely to impact their school, and to practice three basic functional drills, shelter-in-place, lockdown, and evacuation, as these drills relate to those threats and hazards. Some threats or hazards may require the use of more than one basic functional drill.

(b) Schools shall conduct at least one safety-related drill per month, including summer months when school is in session with students. These drills must teach students three basic functional drill responses:

(i) "Shelter-in-place," used to limit the exposure of students and staff to hazardous materials, such as chemical, biological, or radiological contaminants, released into the environment by isolating the inside environment from the outside;

(ii) "Lockdown," used to isolate students and staff from threats of violence, such as suspicious trespassers or armed intruders, that may occur in a school or in the vicinity of a school; and

(iii) "Evacuation," used to move students and staff away from threats, such as fires, oil train spills, lahars, or tsunamis.

(c) The drills described in (b) of this subsection must incorporate the following requirements:

(i) Use of the school mapping information system in at least one of the safety-related drills; ~~((and))~~

(ii) A pedestrian evacuation drill for schools in mapped lahars or tsunami hazard zones(-); and

~~((d) The drills described in (b) of this subsection may incorporate)~~ (iii) An earthquake drill using the state-approved earthquake safety technique "drop, cover, and hold."

~~((e))~~ (d) Schools shall document the date, time, and type (shelter-in-place, lockdown, or evacuate) of each drill required under this subsection (6), and maintain the documentation in the school office.

~~((f))~~ (e) This subsection (6) is intended to satisfy all federal requirements for comprehensive school emergency drills and evacuations.

(7) Educational service districts are encouraged to apply for federal emergency response and crisis management grants with the assistance of the superintendent of public instruction and the Washington emergency management division of the state military department.

(8) The superintendent of public instruction may adopt rules to implement provisions of this section. These rules may include, but are not limited to, provisions for evacuations, lockdowns, or other components of a comprehensive safe school plan.

NEW SECTION. Sec. 11. INTENT. It is not the intent of the legislature to require school resource officers to work in schools. If a school district chooses to have a school resource officer program, it is the intent of the legislature to create statewide consistency for the minimum training requirements that school resource officers must receive and ensure that there is a clear agreement between the school district and local law enforcement agency in order to help establish effective partnerships that protect the health and safety of all students.

NEW SECTION. Sec. 12. A new section is added to chapter 28A.320 RCW to read as follows:

SCHOOL RESOURCE OFFICER PROGRAMS.

(1) If a school district chooses to have a school resource officer program, the school district must confirm that every school resource officer has received training on the following topics:

(a) Constitutional and civil rights of children in schools, including state law governing search and interrogation of youth in schools;

(b) Child and adolescent development;

(c) Trauma-informed approaches to working with youth;

(d) Recognizing and responding to youth mental health issues;

(e) Educational rights of students with disabilities, the relationship of disability to behavior, and best practices for interacting with students with disabilities;

(f) Collateral consequences of arrest, referral for prosecution, and court involvement;

(g) Resources available in the community that serve as alternatives to arrest and prosecution and pathways for youth to access services without court or criminal justice involvement;

(h) Local and national disparities in the use of force and arrests of children;

(i) De-escalation techniques when working with youth or groups of youth;

(j) State law regarding restraint and isolation in schools, including RCW 28A.600.485;

(k) Bias free policing and cultural competency, including best practices for interacting with students from particular backgrounds, including English learners, LGBTQ, and immigrants; and

(1) The federal family educational rights and privacy act (20 U.S.C. Sec. 1232g) requirements including limits on access to and dissemination of student records for noneducational purposes.

(2) School districts that have a school resource officer program must annually review and adopt an agreement with the local law enforcement agency using a process that involves parents, students, and community members. At a minimum, the agreement must incorporate the following elements:

(a) A clear statement regarding school resource officer duties and responsibilities related to student behavior and discipline that:

(i) Prohibits a school resource officer from becoming involved in formal school discipline situations that are the responsibility of school administrators;

(ii) Acknowledges the role of a school resource officer as a teacher, informal counselor, and law enforcement officer; and

(iii) Recognizes that a trained school resource officer knows when to informally interact with students to reinforce school rules and when to enforce the law;

(b) School district policy and procedure for teachers that clarify the circumstances under which teachers and school administrators may ask an officer to intervene with a student;

(c) Annual collection and reporting of data regarding calls for law enforcement service and the outcome of each call, including student arrest and referral for prosecution, disaggregated by school, offense type, race, gender, age, and students who have an individualized education program or plan developed under section 504 of the federal rehabilitation act of 1973;

(d) A process for families to file complaints with the school and local law enforcement agency related to school resource officers and a process for investigating and responding to complaints; and

(e) Confirmation that the school resource officers have received the training required under subsection (1) of this section.

(3) School districts that choose to have a school resource officer program must comply with the requirements in subsection (2) of this section by the beginning of the 2020-21 school year.

(4) For the purposes of this section, "school resource officer" means a commissioned law enforcement officer in the state of Washington with sworn authority to make arrests, deployed in community-oriented policing, and assigned by the employing police department or sheriff's office to work in schools to address crime and disorder problems, gangs, and drug activities affecting or occurring in or around K-12 schools. School resource officers should focus on keeping students out of the criminal justice system when possible and should not be used to attempt to impose criminal sanctions in matters that are more appropriately handled within the educational system.

NEW SECTION. Sec. 13. A new section is added to chapter 28A.300 RCW to read as follows:

SCHOOL RESOURCE OFFICER TRAINING MATERIALS AND GRANTS.

(1) Subject to the availability of amounts appropriated for this specific purpose, by January 1, 2020, the state school safety center, established in section 2 of this act, in collaboration with the school safety and student well-being advisory committee, established in section 4 of this act, and law enforcement entities interested in providing training to school resource officers, shall identify and make publicly available training materials that are consistent with the requirements in section 12 of this act.

(2)(a) Subject to the availability of amounts appropriated for this specific purpose, the office of the superintendent of public instruction must establish and implement a grant program to fund training for school resource officers as described in section 12 of this act. Eligible grantees include school districts, educational service districts, law enforcement agencies, and law enforcement training organizations. Training under this section may be developed by schools in partnership with local law enforcement and organizations that have expertise in topics such as juvenile brain development; restorative practices or restorative justice; social-emotional learning; civil rights; and student rights, including free speech and search and seizure. This training may be provided by the criminal justice training commission.

(b) By December 1st of each year the program is funded, the office of the superintendent of public instruction must submit an annual report to the governor and appropriate committees of the legislature on the program.

Sec. 14. RCW 28A.300.273 and 2016 c 240 s 3 are each amended to read as follows:

CONFORMING AMENDMENTS.

(1) Subject to the availability of amounts appropriated for this specific purpose, the office of the superintendent of public instruction and the school safety and student well-being advisory committee shall hold annual school safety summits. Each annual summit must focus on establishing and monitoring the progress of a statewide plan for funding cost-effective methods for school safety that meet local needs. Other areas of focus may include planning and implementation of school safety planning efforts, training of school safety professionals, and integrating mental health and security measures.

(2) Summit participants must be appointed no later than August 1, 2016.

(a) ~~((The majority and minority leaders of the senate shall appoint two members from each of the relevant))~~ The president of the senate shall appoint two members from each of the two largest caucuses of the senate.

(b) The speaker of the house of representatives shall appoint two members from each of the two largest caucuses of the house of representatives.

(c) The governor shall appoint one representative.

(3) Other summit participants may include representatives from the office of the superintendent of public instruction, the department of health, educational service districts, educational associations, emergency management, law enforcement, fire departments, parent organizations, and student organizations.

(4) Staff support for the annual summit shall be provided by the office of the superintendent of public instruction ~~((and the school safety advisory committee)).~~

(5) Legislative members of the summit are reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on

behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW.

Sec. 15. RCW 28A.300.490 and 2007 c 406 s 2 are each amended to read as follows:

CONFORMING AMENDMENTS.

(1) A task force on gangs in schools is created to examine current adult and youth gang activities that are affecting school safety. The task force shall work under the guidance of the office of the superintendent of public instruction's school safety center, the school safety (~~center~~) and student well-being advisory committee established in section 4 of this act, and the Washington association of sheriffs and police chiefs.

(2) The task force shall be comprised of representatives, selected by the superintendent of public instruction, who possess expertise relevant to gang activity in schools. The task force shall outline methods for preventing new gangs, eliminating existing gangs, gathering intelligence, and sharing information about gang activities.

(3) Beginning December 1, 2007, the task force shall annually report its findings and recommendations to the education committees of the legislature.

Sec. 16. RCW 28A.320.126 and 2013 c 233 s 1 are each amended to read as follows:

CONFORMING AMENDMENTS.

School districts must work collaboratively with local law enforcement agencies and school security personnel to develop an emergency response system using evolving technology to expedite the response and arrival of law enforcement in the event of a threat or emergency at a school. School districts are encouraged to use the model policies developed by the school safety (~~center~~ advisory committee of) center in the office of the superintendent of public instruction as a resource. Each school district must submit a progress report on its implementation of an emergency response system as required under this section to the office of the superintendent of public instruction by December 1, 2014.

Sec. 17. RCW 28A.320.1271 and 2013 c 197 s 5 are each amended to read as follows:

CONFORMING AMENDMENTS.

The office of the superintendent of public instruction's (~~and the~~) school safety (~~center~~ advisory committee) center, established in section 2 of this act, shall develop a model school district plan for recognition, initial screening, and response to emotional or behavioral distress in students, including but not limited to indicators of possible substance abuse, violence, and youth suicide. The model plan must incorporate research-based best practices, including practices and protocols used in schools and school districts in other states. The model plan must be posted by February 1, 2014, on the school safety center web site, along with relevant resources and information to support school districts in developing and implementing the plan required under RCW 28A.320.127.

NEW SECTION. Sec. 18. REPEALER. RCW 28A.310.505 (Regional school safety and security programs) and 2016 c 240 s 6 are each repealed.

NEW SECTION. Sec. 19. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2019, in the omnibus appropriations act, this act is null and void.

Passed by the House April 23, 2019.

Passed by the Senate April 12, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 334

[Engrossed Second Substitute House Bill 1224]

PRESCRIPTION DRUG PRICING

AN ACT Relating to prescription drug cost transparency; reenacting and amending RCW 74.09.215; adding a new chapter to Title 43 RCW; and prescribing penalties.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. FINDINGS. The legislature finds that the state of Washington has substantial public interest in the following:

(1) The price and cost of prescription drugs. Washington state is a major purchaser through the department of corrections, the health care authority, and other entities acting on behalf of a state purchaser;

(2) Enacting this chapter to provide notice and disclosure of information relating to the cost and pricing of prescription drugs in order to provide accountability to the state for prescription drug pricing;

(3) Rising drug costs and consumer ability to access prescription drugs; and

(4) Containing prescription drug costs. It is essential to understand the drivers and impacts of these costs, as transparency is typically the first step toward cost containment and greater consumer access to needed prescription drugs.

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

(1) "Authority" means the health care authority.

(2) "Covered drug" means any prescription drug that:

(a) A covered manufacturer intends to introduce to the market at a wholesale acquisition cost of ten thousand dollars or more for a course of treatment lasting less than one month or a thirty-day supply, whichever period is longer; or

(b) Is currently on the market, is manufactured by a covered manufacturer, and has a wholesale acquisition cost of more than one hundred dollars for a course of treatment lasting less than one month or a thirty-day supply, and, taking into account only price increases that take effect after the effective date of this section, the manufacturer increases the wholesale acquisition cost at least:

(i) Twenty percent, including the proposed increase and the cumulative increase over one calendar year prior to the date of the proposed increase; or

(ii) Fifty percent, including the proposed increase and the cumulative increase over three calendar years prior to the date of the proposed increase.

(3) "Covered manufacturer" means a person, corporation, or other entity engaged in the manufacture of prescription drugs sold in or into Washington state. "Covered manufacturer" does not include a private label distributor or

retail pharmacy that sells a drug under the retail pharmacy's store, or a prescription drug repackager.

(4) "Health care provider," "health plan," "health carrier," and "carrier" mean the same as in RCW 48.43.005.

(5) "Pharmacy benefit manager" means the same as in RCW 19.340.010.

(6) "Pharmacy services administrative organization" means an entity that contracts with a pharmacy to act as the pharmacy's agent with respect to matters involving a pharmacy benefit manager, third-party payor, or other entities, including negotiating, executing, or administering contracts with the pharmacy benefit manager, third-party payor, or other entities and provides administrative services to pharmacies.

(7) "Prescription drug" means a drug regulated under chapter 69.41 or 69.50 RCW, including generic, brand name, specialty drugs, and biological products that are prescribed for outpatient use and distributed in a retail setting.

(8) "Qualifying price increase" means a price increase described in subsection (2)(b) of this section.

(9) "Wholesale acquisition cost" or "price" means, with respect to a prescription drug, the manufacturer's list price for the drug to wholesalers or direct purchasers in the United States, excluding any discounts, rebates, or reductions in price, for the most recent month for which the information is available, as reported in wholesale price guides or other publications of prescription drug pricing.

NEW SECTION. Sec. 3. HEALTH CARRIER REPORTING. Beginning October 1, 2019, and on a yearly basis thereafter, a health carrier must submit to the authority the following prescription drug cost and utilization data for the previous calendar year for each health plan it offers in the state:

(1) The twenty-five prescription drugs most frequently prescribed by health care providers participating in the plan's network;

(2) The twenty-five costliest prescription drugs expressed as a percentage of total plan prescription drug spending, and the plan's total spending for each of these prescription drugs;

(3) The twenty-five drugs with the highest year-over-year increase in wholesale acquisition cost, excluding drugs made available for the first time that plan year, and the percentages of the increases for each of these prescription drugs;

(4) The portion of the premium that is attributable to each of the following categories of covered prescription drugs, after accounting for all rebates and discounts:

(a) Brand name drugs;

(b) Generic drugs; and

(c) Specialty drugs;

(5) The year-over-year increase, calculated on a per member, per month basis and expressed as a percentage, in the total annual cost of each category of covered drugs listed in subsection (4) of this section, after accounting for all rebates and discounts;

(6) A comparison, calculated on a per member, per month basis, of the year-over-year increase in the cost of covered drugs to the year-over-year increase in the costs of other contributors to premiums, after accounting for all rebates and discounts;

(7) The name of each covered specialty drug; and

(8) The names of the twenty-five most frequently prescribed drugs for which the health plan received rebates from pharmaceutical manufacturers.

NEW SECTION. Sec. 4. PHARMACY BENEFIT MANAGER REPORTING. (1) By March 1st of each year, a pharmacy benefit manager must submit to the authority the following data from the previous calendar year:

(a) All discounts, including the total dollar amount and percentage discount, and all rebates received from a manufacturer for each drug on the pharmacy benefit manager's formularies;

(b) The total dollar amount of all discounts and rebates that are retained by the pharmacy benefit manager for each drug on the pharmacy benefit manager's formularies;

(c) Actual total reimbursement amounts for each drug the pharmacy benefit manager pays retail pharmacies after all direct and indirect administrative and other fees that have been retrospectively charged to the pharmacies are applied;

(d) The negotiated price health plans pay the pharmacy benefit manager for each drug on the pharmacy benefit manager's formularies;

(e) The amount, terms, and conditions relating to copayments, reimbursement options, and other payments or fees associated with a prescription drug benefit plan;

(f) Disclosure of any ownership interest the pharmacy benefit manager has in a pharmacy or health plan with which it conducts business; and

(g) The results of any appeal filed pursuant to RCW 19.340.100(3).

(2) The information collected pursuant to this section is not subject to public disclosure under chapter 42.56 RCW.

(3) The authority may examine or audit the financial records of a pharmacy benefit manager for purposes of ensuring the information submitted under this section is accurate. Information the authority acquires in an examination of financial records pursuant to this subsection is proprietary and confidential.

NEW SECTION. Sec. 5. PHARMACY BENEFIT MANAGER COMPLIANCE. (1) No later than March 1st of each calendar year, each pharmacy benefit manager must file with the authority, in the form and detail as required by the authority, a report for the preceding calendar year stating that the pharmacy benefit manager is in compliance with this chapter.

(2) A pharmacy benefit manager may not cause or knowingly permit the use of any advertisement, promotion, solicitation, representation, proposal, or offer that is untrue, deceptive, or misleading.

(3) An employer-sponsored self-funded health plan or a Taft-Hartley trust health plan may voluntarily provide the data described in subsection (1) of this section.

NEW SECTION. Sec. 6. MANUFACTURER REPORTING. (1) Beginning October 1, 2019, a covered manufacturer must submit to the authority the following data for each covered drug:

(a) A description of the specific financial and nonfinancial factors used to make the decision to set or increase the wholesale acquisition cost of the drug. In the event of a price increase, a covered manufacturer must also submit the amount of the increase and an explanation of how these factors explain the increase in the wholesale acquisition cost of the drug;

- (b) The patent expiration date of the drug if it is under patent;
- (c) Whether the drug is a multiple source drug, an innovator multiple source drug, a noninnovator multiple source drug, or a single source drug;
- (d) The itemized cost for production and sales, including the annual manufacturing costs, annual marketing and advertising costs, total research and development costs, total costs of clinical trials and regulation, and total cost for acquisition of the drug; and
- (e) The total financial assistance given by the manufacturer through assistance programs, rebates, and coupons.

(2) For all qualifying price increases of existing drugs, a manufacturer must submit the year the drug was introduced to market and the wholesale acquisition cost of the drug at the time of introduction.

(3) If a manufacturer increases the price of an existing drug it has manufactured for the previous five years or more, it must submit a schedule of wholesale acquisition cost increases for the drug for the previous five years.

(4) If a manufacturer acquired the drug within the previous five years, it must submit:

- (a) The wholesale acquisition cost of the drug at the time of acquisition and in the calendar year prior to acquisition; and
- (b) The name of the company from which the drug was acquired, the date acquired, and the purchase price.

(5) Except as provided in subsection (6) of this section, a covered manufacturer must submit the information required by this section:

(a) At least sixty days in advance of a qualifying price increase for a covered drug; and

(b) Within thirty days of release of a new covered drug to the market.

(6) For any drug approved under section 505(j) of the federal food, drug, and cosmetic act, as it existed on the effective date of this section, or a biosimilar approved under section 351(k) of the federal public health service act, as it existed on the effective date of this section, if submitting data in accordance with subsection (5)(a) of this section is not possible sixty days before the price increase, that submission must be made as soon as known but not later than the date of the price increase.

(7) The information submitted pursuant to this section is not subject to public disclosure under chapter 42.56 RCW.

NEW SECTION. Sec. 7. MANUFACTURER NOTICE OF NEW DRUG APPLICATIONS. (1) Beginning October 1, 2019, a manufacturer must submit written notice, in a form and manner specified by the authority, informing the authority that the manufacturer has filed with the FDA:

(a) A new drug application or biologics license application for a pipeline drug; or

(b) A biologics license application for a biological product.

(2) The notice must be filed within sixty days of the manufacturer receiving the applicable FDA approval date.

(3) Upon receipt of the notice, the authority may request from the manufacturer the following information if it believes the drug will have a significant impact on state expenditures:

(a) The primary disease, condition, or therapeutic area studied in connection with the new drug, and whether the drug is therapeutically indicated for such disease, condition, or therapeutic area;

(b) Each route of administration studied for the drug;

(c) Clinical trial comparators for the drug;

(d) The date at which the FDA must complete its review of the drug application pursuant to the federal prescription drug user fee act of 1992 (106 Stat. 4491; P.L. 102-571);

(e) Whether the FDA has designated the drug an orphan drug, a fast track product, or a breakthrough therapy; and

(f) Whether the FDA has designated the drug for accelerated approval, priority review, or if the drug contains a new molecular entity.

(4) A manufacturer may limit the information reported pursuant to this section to that which is otherwise in the public domain or publicly reported.

(5) The information collected pursuant to this section is not subject to public disclosure under chapter 42.56 RCW.

NEW SECTION. Sec. 8. MANUFACTURER NOTICE OF PRICE INCREASES. (1) Beginning October 1, 2019, a manufacturer of a covered drug must notify the authority of a qualifying price increase in writing at least sixty days prior to the planned effective date of the increase. The notice must include:

(a) The date of the increase, the current wholesale acquisition cost of the prescription drug, and the dollar amount of the future increase in the wholesale acquisition cost of the prescription drug; and

(b) A statement regarding whether a change or improvement in the drug necessitates the price increase. If so, the manufacturer shall describe the change or improvement.

(2) For any drug approved under section 505(j) of the federal food, drug, and cosmetic act, as it existed on the effective date of this section, or a biosimilar approved under section 351(k) of the federal public health service act, as it existed on the effective date of this section, if notification is not possible sixty days before the price increase, that submission must be made as soon as known but not later than the date of the price increase.

(3) The information submitted pursuant to this section is not subject to public disclosure under chapter 42.56 RCW.

(4) By December 1, 2020, the authority must provide recommendations on how to provide advance notice of price increases to purchasers consistent with state and federal law.

NEW SECTION. Sec. 9. PHARMACY SERVICES ADMINISTRATIVE ORGANIZATION REPORTING. (1) Beginning October 1, 2019, and on a yearly basis thereafter, a pharmacy services administrative organization representing a pharmacy or pharmacy chain in the state must submit to the authority the following data from the previous calendar year:

(a) The negotiated reimbursement rate of the twenty-five prescription drugs with the highest reimbursement rate;

(b) The twenty-five prescription drugs with the largest year-to-year change in reimbursement rate, expressed as a percentage and dollar amount; and

(c) The schedule of fees charged to pharmacies for the services provided by the pharmacy services administrative organization.

(2) Any pharmacy services administrative organization whose revenue is generated from flat service fees not connected to drug prices or volume, and paid by the pharmacy, is exempt from reporting.

NEW SECTION. Sec. 10. DATA COLLECTION AND ANNUAL REPORT. (1) The authority shall compile and analyze the data submitted by health carriers, pharmacy benefit managers, manufacturers, and pharmacy services administrative organizations pursuant to this chapter and prepare an annual report for the public and the legislature synthesizing the data to demonstrate the overall impact that drug costs, rebates, and other discounts have on health care premiums.

(2) The data in the report must be aggregated and must not reveal information specific to individual health carriers, pharmacy benefit managers, pharmacy services administrative organizations, individual prescription drugs, individual classes of prescription drugs, individual manufacturers, or discount amounts paid in connection with individual prescription drugs.

(3) Beginning January 1, 2021, and by each January 1st thereafter, the authority must publish the report on its web site.

(4) Except for the report, and as provided in subsection (5) of this section, the authority shall keep confidential all data submitted pursuant to sections 3 through 9 of this act.

(5) For purposes of public policy, upon request of a legislator, the authority must provide all data provided pursuant to sections 3 through 9 of this act and any analysis prepared by the authority. Any information provided pursuant to this subsection must be kept confidential within the legislature and may not be publicly released.

(6) The data collected pursuant to this chapter is not subject to public disclosure under chapter 42.56 RCW.

NEW SECTION. Sec. 11. ENFORCEMENT. The authority may assess a fine of up to one thousand dollars per day for failure to comply with the requirements of sections 3 through 9 of this act. The assessment of a fine under this section is subject to review under the administrative procedure act, chapter 34.05 RCW. Fines collected under this section must be deposited in the medicaid fraud penalty account created in RCW 74.09.215.

NEW SECTION. Sec. 12. The authority must contact the California office of statewide health planning and development and the Oregon department of consumer and business services to develop strategies to reduce prescription drug costs and increase prescription drug cost transparency. The authority must make recommendations to the legislature for implementing joint state strategies, which may include a joint purchasing agreement, by January 1, 2020.

NEW SECTION. Sec. 13. RULE MAKING. The authority may adopt any rules necessary to implement the requirements of this chapter.

Sec. 14. RCW 74.09.215 and 2013 2nd sp.s. c 4 s 1902, 2013 2nd sp.s. c 4 s 997, and 2013 2nd sp.s. c 4 s 995 are each reenacted and amended to read as follows:

The medicaid fraud penalty account is created in the state treasury. All receipts from civil penalties collected under RCW 74.09.210, all receipts received under judgments or settlements that originated under a filing under the federal false claims act, all receipts from fines received pursuant to section 11 of

this act, and all receipts received under judgments or settlements that originated under the state medicaid fraud false claims act, chapter 74.66 RCW, must be deposited into the account. Moneys in the account may be spent only after appropriation and must be used only for medicaid services, fraud detection and prevention activities, recovery of improper payments, for other medicaid fraud enforcement activities, and the prescription monitoring program established in chapter 70.225 RCW. For the 2013-2015 fiscal biennium, moneys in the account may be spent on inpatient and outpatient rebasing and conversion to the tenth version of the international classification of diseases. For the 2011-2013 fiscal biennium, moneys in the account may be spent on inpatient and outpatient rebasing.

NEW SECTION. Sec. 15. Sections 1 through 13 of this act constitute a new chapter in Title 43 RCW.

Passed by the House April 25, 2019.

Passed by the Senate April 25, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 335

[House Bill 1301]

LEASEHOLD EXCISE TAX--EXEMPTION FOR CERTAIN ARENAS

AN ACT Relating to exempting certain leasehold interests in arenas with a seating capacity of more than two thousand from the leasehold excise tax; amending RCW 82.29A.130; creating a new section; and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 82.29A.130 and 2017 3rd sp.s. c 37 s 1303 are each amended to read as follows:

The following leasehold interests are exempt from taxes imposed pursuant to RCW 82.29A.030 and 82.29A.040:

(1) All leasehold interests constituting a part of the operating properties of any public utility (~~which~~) that is assessed and taxed as a public utility pursuant to chapter 84.12 RCW.

(2) All leasehold interests in facilities owned or used by a school, college or university which leasehold provides housing for students and which is otherwise exempt from taxation under provisions of RCW 84.36.010 and 84.36.050.

(3) All leasehold interests of subsidized housing where the fee ownership of such property is vested in the government of the United States, or the state of Washington or any political subdivision thereof but only if income qualification exists for such housing.

(4) All leasehold interests used for fair purposes of a nonprofit fair association that sponsors or conducts a fair or fairs which receive support from revenues collected pursuant to RCW 67.16.100 and allocated by the director of the department of agriculture where the fee ownership of such property is vested in the government of the United States, the state of Washington or any of its political subdivisions. However, this exemption does not apply to the leasehold interest of any sublessee of such nonprofit fair association if such leasehold interest would be taxable if it were the primary lease.

(5) All leasehold interests in any property of any public entity used as a residence by an employee of that public entity who is required as a condition of employment to live in the publicly owned property.

(6) All leasehold interests held by enrolled Indians of lands owned or held by any Indian or Indian tribe where the fee ownership of such property is vested in or held in trust by the United States and which are not subleased to other than to a lessee which would qualify pursuant to this chapter, RCW 84.36.451 and 84.40.175.

(7) All leasehold interests in any real property of any Indian or Indian tribe, band, or community that is held in trust by the United States or is subject to a restriction against alienation imposed by the United States. However, this exemption applies only where it is determined that contract rent paid is greater than or equal to ninety percent of fair market rental, to be determined by the department of revenue using the same criteria used to establish taxable rent in RCW 82.29A.020(2)(g).

(8) All leasehold interests for which annual taxable rent is less than two hundred fifty dollars per year. For purposes of this subsection leasehold interests held by the same lessee in contiguous properties owned by the same lessor are deemed a single leasehold interest.

(9) All leasehold interests which give use or possession of the leased property for a continuous period of less than thirty days: PROVIDED, That for purposes of this subsection, successive leases or lease renewals giving substantially continuous use of possession of the same property to the same lessee are deemed a single leasehold interest: PROVIDED FURTHER, That no leasehold interest is deemed to give use or possession for a period of less than thirty days solely by virtue of the reservation by the public lessor of the right to use the property or to allow third parties to use the property on an occasional, temporary basis.

(10) All leasehold interests under month-to-month leases in residential units rented for residential purposes of the lessee pending destruction or removal for the purpose of constructing a public highway or building.

(11) All leasehold interests in any publicly owned real or personal property to the extent such leasehold interests arises solely by virtue of a contract for public improvements or work executed under the public works statutes of this state or of the United States between the public owner of the property and a contractor.

(12) All leasehold interests that give use or possession of state adult correctional facilities for the purposes of operating correctional industries under RCW 72.09.100.

(13) All leasehold interests used to provide organized and supervised recreational activities for persons with disabilities of all ages in a camp facility and for public recreational purposes by a nonprofit organization, association, or corporation that would be exempt from property tax under RCW 84.36.030(1) if it owned the property. If the publicly owned property is used for any taxable purpose, the leasehold excise taxes set forth in RCW 82.29A.030 and 82.29A.040 must be imposed and must be apportioned accordingly.

(14) All leasehold interests in the public or entertainment areas of a baseball stadium with natural turf and a retractable roof or canopy that is in a county with a population of over one million, that has a seating capacity of over forty

thousand, and that is constructed on or after January 1, 1995. "Public or entertainment areas" include ticket sales areas, ramps and stairs, lobbies and concourses, parking areas, concession areas, restaurants, hospitality and stadium club areas, kitchens or other work areas primarily servicing other public or entertainment areas, public rest room areas, press and media areas, control booths, broadcast and production areas, retail sales areas, museum and exhibit areas, scoreboards or other public displays, storage areas, loading, staging, and servicing areas, seating areas and suites, the playing field, and any other areas to which the public has access or which are used for the production of the entertainment event or other public usage, and any other personal property used for these purposes. "Public or entertainment areas" does not include locker rooms or private offices exclusively used by the lessee.

(15) All leasehold interests in the public or entertainment areas of a stadium and exhibition center, as defined in RCW 36.102.010, that is constructed on or after January 1, 1998. For the purposes of this subsection, "public or entertainment areas" has the same meaning as in subsection (14) of this section, and includes exhibition areas.

(16) All leasehold interests in public facilities districts, as provided in chapter 36.100 or 35.57 RCW.

(17) All leasehold interests in property that is: (a) Owned by the United States government or a municipal corporation; (b) listed on any federal or state register of historical sites; and (c) wholly contained within a designated national historic reserve under 16 U.S.C. Sec. 461.

(18) All leasehold interests in the public or entertainment areas of an amphitheater if a private entity is responsible for one hundred percent of the cost of constructing the amphitheater which is not reimbursed by the public owner, both the public owner and the private lessee sponsor events at the facility on a regular basis, the lessee is responsible under the lease or agreement to operate and maintain the facility, and the amphitheater has a seating capacity of over seventeen thousand reserved and general admission seats and is in a county that had a population of over three hundred fifty thousand, but less than four hundred twenty-five thousand when the amphitheater first opened to the public.

For the purposes of this subsection, "public or entertainment areas" include box offices or other ticket sales areas, entrance gates, ramps and stairs, lobbies and concourses, parking areas, concession areas, restaurants, hospitality areas, kitchens or other work areas primarily servicing other public or entertainment areas, public rest room areas, press and media areas, control booths, broadcast and production areas, retail sales areas, museum and exhibit areas, scoreboards or other public displays, storage areas, loading, staging, and servicing areas, seating areas including lawn seating areas and suites, stages, and any other areas to which the public has access or which are used for the production of the entertainment event or other public usage, and any other personal property used for these purposes. "Public or entertainment areas" does not include office areas used predominately by the lessee.

(19) All leasehold interests in real property used for the placement of military housing meeting the requirements of RCW 84.36.665.

(20) All leasehold interests in facilities owned or used by a community college or technical college, which leasehold interest provides:

- (a) Food services for students, faculty, and staff;

- (b) The operation of a bookstore on campus; or
- (c) Maintenance, operational, or administrative services to the community college or technical college.

(21)(a) All leasehold interests in the public or entertainment areas of an arena if it:

- (i) Has a seating capacity of more than two thousand;
- (ii) Is located on city-owned land; and
- (iii) Is owned by a city with a population over two hundred thousand within a county with a population of less than one million five hundred thousand.

(b) For the purposes of this subsection (21), "public or entertainment areas" has the same meaning as provided in subsection (18) of this section.

NEW SECTION. Sec. 2. The provisions of RCW 82.32.805 and 82.32.808 do not apply to this act.

NEW SECTION. Sec. 3. This act takes effect January 1, 2020.

Passed by the House March 11, 2019.

Passed by the Senate April 27, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 336

[Engrossed Third Substitute House Bill 1324]

RURAL DEVELOPMENT--VARIOUS PROVISIONS

AN ACT Relating to creating the Washington rural development and opportunity zone act; amending RCW 82.04.260 and 82.04.261; creating new sections; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that while many parts of the state are thriving economically, some rural and distressed communities have struggled to keep pace. These communities represent significant opportunity for economic growth and innovation. However, businesses and entrepreneurs often find it difficult to obtain the capital they need to expand and grow in these areas. Therefore, it is the intent of the legislature to study the creation of a program to incentivize private investments and job creation in rural and distressed communities while ensuring no loss of revenue to the state.

*NEW SECTION. Sec. 2. (1) The Washington state institute for public policy must conduct a study on certain programs incentivizing private investment and job creation in rural and distressed communities. In conducting the study, the institute must:

(a) Conduct a fifty-state review on the structure and characteristics of certified capital company programs, new markets tax credit programs, rural jobs programs, and other similar economic development programs in other states; and

(b) Review any available research on these initiatives and, to the extent possible, describe the effects of each type of initiative on employment, earnings, property values, and job creation.

(2) The Washington state institute for public policy must submit a report on its findings to the appropriate committees of the legislature, in compliance with RCW 43.01.036, by July 1, 2020.

**Sec. 2 was vetoed. See message at end of chapter.*

NEW SECTION. Sec. 3. (1) The legislature finds that the Washington state forest practices habitat conservation plan was approved in 2006 by the United States fish and wildlife service and the national oceanic and atmospheric administration's marine fisheries service. The legislature further finds that the conservation plan protects habitat of aquatic species, supports economically viable and healthy forests, and creates regulatory stability for landowners. The legislature further finds that funding for the adaptive management program and participation grants are required to implement the forest and fish agreement and meet the goals of the conservation plan. The legislature further finds that the surcharge on the timber products business and occupation tax rate was agreed to by the forest products industry, tribal leaders, and stakeholders as a way to provide funding and safeguard the future of the conservation plan. The legislature further finds that the forestry industry assumed significant financial obligation with the enactment of this conservation plan, in exchange for operational certainty under the endangered species act. Therefore, the legislature concludes that the timber products business and occupation tax rate and the surcharge should continue until the expiration date of the forest and fish agreement, in 2056.

(2) The legislature finds that Washington has one of the strongest economies in the country. However, the local economies in some rural counties continue to struggle. The legislature further finds that the economic prosperity of our state must be shared by all of our communities. The legislature further finds that forest product sectors provide family-wage jobs in economically struggling areas of the state. The legislature further finds that in 2017 the Washington forest products industry, directly and indirectly, employed one hundred one thousand workers, earning 5.5 billion dollars in wages. Therefore, the legislature concludes that the forest products industries support our local rural economies and contribute towards the effort to lower unemployment rates across the state, especially in rural areas.

Sec. 4. RCW 82.04.260 and 2018 c 164 s 3 are each amended to read as follows:

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

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

(b) Beginning July 1, 2025, seafood products that remain in a raw, raw frozen, or raw salted state at the completion of the manufacturing by that person; or selling manufactured seafood products that remain in a raw, raw frozen, or raw salted state at the completion of the manufacturing, to purchasers who transport in the ordinary course of business the goods out of this state; as to such persons the amount of tax with respect to such business is equal to the value of the products manufactured or the gross proceeds derived from such sales,

multiplied by the rate of 0.138 percent. Sellers must keep and preserve records for the period required by RCW 82.32.070 establishing that the goods were transported by the purchaser in the ordinary course of business out of this state;

(c)(i) Except as provided otherwise in (c)(iii) of this subsection, from July 1, 2025, until January 1, 2036, dairy products; or selling dairy products that the person has manufactured to purchasers who either transport in the ordinary course of business the goods out of state or purchasers who use such dairy products as an ingredient or component in the manufacturing of a dairy product; as to such persons the tax imposed is equal to the value of the products manufactured or the gross proceeds derived from such sales multiplied by the rate of 0.138 percent. Sellers must keep and preserve records for the period required by RCW 82.32.070 establishing that the goods were transported by the purchaser in the ordinary course of business out of this state or sold to a manufacturer for use as an ingredient or component in the manufacturing of a dairy product.

(ii) For the purposes of this subsection (1)(c), "dairy products" means:

(A) Products, not including any marijuana-infused product, that as of September 20, 2001, are identified in 21 C.F.R., chapter 1, parts 131, 133, and 135, including by-products from the manufacturing of the dairy products, such as whey and casein; and

(B) Products comprised of not less than seventy percent dairy products that qualify under (c)(ii)(A) of this subsection, measured by weight or volume.

(iii) The preferential tax rate provided to taxpayers under this subsection (1)(c) does not apply to sales of dairy products on or after July 1, 2023, where a dairy product is used by the purchaser as an ingredient or component in the manufacturing in Washington of a dairy product;

(d)(i) Beginning July 1, 2025, fruits or vegetables by canning, preserving, freezing, processing, or dehydrating fresh fruits or vegetables, or selling at wholesale fruits or vegetables manufactured by the seller by canning, preserving, freezing, processing, or dehydrating fresh fruits or vegetables and sold to purchasers who transport in the ordinary course of business the goods out of this state; as to such persons the amount of tax with respect to such business is equal to the value of the products manufactured or the gross proceeds derived from such sales multiplied by the rate of 0.138 percent. Sellers must keep and preserve records for the period required by RCW 82.32.070 establishing that the goods were transported by the purchaser in the ordinary course of business out of this state.

(ii) For purposes of this subsection (1)(d), "fruits" and "vegetables" do not include marijuana, useable marijuana, or marijuana-infused products; and

(e) Wood biomass fuel; as to such persons the amount of tax with respect to the business is equal to the value of wood biomass fuel manufactured, multiplied by the rate of 0.138 percent. For the purposes of this section, "wood biomass fuel" means a liquid or gaseous fuel that is produced from lignocellulosic feedstocks, including wood, forest, ~~((for))~~ or field residue~~((s))~~ and dedicated energy crops, and that does not include wood treated with chemical preservations such as creosote, pentachlorophenol, or copper-chrome-arsenic.

(2) Upon every person engaging within this state in the business of splitting or processing dried peas; as to such persons the amount of tax with respect to

such business is equal to the value of the peas split or processed, multiplied by the rate of 0.138 percent.

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

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

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

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

(7) Upon every person engaging within this state in the business of stevedoring and associated activities pertinent to the movement of goods and commodities in waterborne interstate or foreign commerce; as to such persons the amount of tax with respect to such business is equal to the gross proceeds derived from such activities multiplied by the rate of 0.275 percent. Persons subject to taxation under this subsection are exempt from payment of taxes imposed by chapter 82.16 RCW for that portion of their business subject to taxation under this subsection. Stevedoring and associated activities pertinent to the conduct of goods and commodities in waterborne interstate or foreign commerce are defined as all activities of a labor, service or transportation nature whereby cargo may be loaded or unloaded to or from vessels or barges, passing over, onto or under a wharf, pier, or similar structure; cargo may be moved to a warehouse or similar holding or storage yard or area to await further movement in import or export or may move to a consolidation freight station and be stuffed, unstuffed, containerized, separated or otherwise segregated or aggregated for delivery or loaded on any mode of transportation for delivery to its consignee. Specific activities included in this definition are: Wharfage, handling, loading, unloading, moving of cargo to a convenient place of delivery to the consignee or a convenient place for further movement to export mode; documentation services in connection with the receipt, delivery, checking, care, custody and control of cargo required in the transfer of cargo; imported automobile handling prior to delivery to consignee; terminal stevedoring and incidental vessel services, including but not limited to plugging and unplugging refrigerator service to containers, trailers, and other refrigerated cargo receptacles, and securing ship hatch covers.

(8)(a) Upon every person engaging within this state in the business of disposing of low-level waste, as defined in RCW 43.145.010; as to such persons

the amount of the tax with respect to such business is equal to the gross income of the business, excluding any fees imposed under chapter 43.200 RCW, multiplied by the rate of 3.3 percent.

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

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

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

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

- (i) 0.4235 percent from October 1, 2005, through June 30, 2007; and
- (ii) 0.2904 percent beginning July 1, 2007.

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

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

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

(e)(i) Except as provided in (e)(ii) of this subsection (11), this subsection (11) does not apply on and after July 1, 2040.

(ii) With respect to the manufacturing of commercial airplanes or making sales, at retail or wholesale, of commercial airplanes, this subsection (11) does not apply on and after July 1st of the year in which the department makes a determination that any final assembly or wing assembly of any version or variant

of a commercial airplane that is the basis of a siting of a significant commercial airplane manufacturing program in the state under RCW 82.32.850 has been sited outside the state of Washington. This subsection (11)(e)(ii) only applies to the manufacturing or sale of commercial airplanes that are the basis of a siting of a significant commercial airplane manufacturing program in the state under RCW 82.32.850.

(12)(a) Until July 1, ~~((2024))~~ 2045, upon every person engaging within this state in the business of extracting timber or extracting for hire timber; as to such persons the amount of tax with respect to the business is, in the case of extractors, equal to the value of products, including by-products, extracted, or in the case of extractors for hire, equal to the gross income of the business, multiplied by the rate of 0.4235 percent from July 1, 2006, through June 30, 2007, and 0.2904 percent from July 1, 2007, through June 30, ~~((2024))~~ 2045.

(b) Until July 1, ~~((2024))~~ 2045, upon every person engaging within this state in the business of manufacturing or processing for hire: (i) Timber into timber products or wood products; ~~((¶))~~ (ii) timber products into other timber products or wood products; or (iii) products defined in RCW 19.27.570(1); as to such persons the amount of the tax with respect to the business is, in the case of manufacturers, equal to the value of products, including by-products, manufactured, or in the case of processors for hire, equal to the gross income of the business, multiplied by the rate of 0.4235 percent from July 1, 2006, through June 30, 2007, and 0.2904 percent from July 1, 2007, through June 30, ~~((2024))~~ 2045.

(c) Until July 1, ~~((2024))~~ 2045, upon every person engaging within this state in the business of selling at wholesale: (i) Timber extracted by that person; (ii) timber products manufactured by that person from timber or other timber products; ~~((¶))~~ (iii) wood products manufactured by that person from timber or timber products; or (iv) products defined in RCW 19.27.570(1) manufactured by that person as to such persons the amount of the tax with respect to the business is equal to the gross proceeds of sales of the timber, timber products, ~~((¶))~~ wood products, or products defined in RCW 19.27.570(1) multiplied by the rate of 0.4235 percent from July 1, 2006, through June 30, 2007, and 0.2904 percent from July 1, 2007, through June 30, ~~((2024))~~ 2045.

(d) Until July 1, ~~((2024))~~ 2045, upon every person engaging within this state in the business of selling standing timber; as to such persons the amount of the tax with respect to the business is equal to the gross income of the business multiplied by the rate of 0.2904 percent. For purposes of this subsection (12)(d), "selling standing timber" means the sale of timber apart from the land, where the buyer is required to sever the timber within thirty months from the date of the original contract, regardless of the method of payment for the timber and whether title to the timber transfers before, upon, or after severance.

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

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

(ii) "Paper and paper products" means products made of interwoven cellulosic fibers held together largely by hydrogen bonding. "Paper and paper products" includes newsprint; office, printing, fine, and pressure-sensitive papers; paper napkins, towels, and toilet tissue; kraft bag, construction, and other

kraft industrial papers; paperboard, liquid packaging containers, containerboard, corrugated, and solid-fiber containers including linerboard and corrugated medium; and related types of cellulosic products containing primarily, by weight or volume, cellulosic materials. "Paper and paper products" does not include books, newspapers, magazines, periodicals, and other printed publications, advertising materials, calendars, and similar types of printed materials.

(iii) "Recycled paper" means paper and paper products having fifty percent or more of their fiber content that comes from postconsumer waste. For purposes of this subsection (12)(e)(iii), "postconsumer waste" means a finished material that would normally be disposed of as solid waste, having completed its life cycle as a consumer item.

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

(v) "Timber products" means:

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

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

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

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

(f) Except for small harvesters as defined in RCW 84.33.035, a person reporting under the tax rate provided in this subsection (12) must file a complete annual tax performance report with the department under RCW 82.32.534.

(g) Nothing in this subsection (12) may be construed to affect the taxation of any activity defined as a retail sale in RCW 82.04.050(2) (b) or (c), defined as a wholesale sale in RCW 82.04.060(2), or taxed under RCW 82.04.280(1)(g).

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

(14)(a) Upon every person engaging within this state in the business of printing a newspaper, publishing a newspaper, or both, the amount of tax on such business is equal to the gross income of the business multiplied by the rate of 0.35 percent until July 1, 2024, and 0.484 percent thereafter.

(b) A person reporting under the tax rate provided in this subsection (14) must file a complete annual tax performance report with the department under RCW 82.32.534.

Sec. 5. RCW 82.04.261 and 2017 c 323 s 501 are each amended to read as follows:

(1) In addition to the taxes imposed under RCW 82.04.260(12), a surcharge is imposed on those persons who are subject to any of the taxes imposed under RCW 82.04.260(12). Except as otherwise provided in this section, the surcharge is equal to 0.052 percent. The surcharge is added to the rates provided in RCW

82.04.260(12) (a), (b), (c), and (d). (~~The surcharge and this section expire July 1, 2024.~~)

(2) All receipts from the surcharge imposed under this section must be deposited into the forest and fish support account created in RCW 76.09.405, with any receipts above eight million dollars per biennium specifically used as additional funding for tribal participation grants.

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

(i) Before July 1, 2024, receipts from the surcharge total at least eight million five hundred thousand dollars during any fiscal biennium; (~~(or)~~)

(ii) (~~The office of financial management certifies to the department that the federal government has appropriated at least two million dollars for participation in forest and fish report related activities by federally recognized Indian tribes located within the geographical boundaries of the state of Washington for any federal fiscal year.~~) Between July 1, 2024, and July 30, 2029, receipts from the surcharge total at least nine million dollars during any fiscal biennium; and

(iii) After July 30, 2029, the receipts from the surcharge total at least nine million five hundred thousand dollars during any fiscal biennium.

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

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

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

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

~~(c) Any adjustment in the surcharge takes effect at the beginning of a calendar month that is at least thirty days after the date that the office of financial management makes the certification under subsection (5) of this section.~~

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

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

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

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

(4) This section expires July 1, 2045.

NEW SECTION. Sec. 6. The provisions of RCW 82.32.808 do not apply to sections 4 and 5 of this act.

*NEW SECTION. Sec. 7. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2019, in the omnibus appropriations act, this act is null and void.

**Sec. 7 was vetoed. See message at end of chapter.*

Passed by the House April 24, 2019.

Passed by the Senate April 22, 2019.

Approved by the Governor May 9, 2019, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 13, 2019.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Sections 2 and 7, Engrossed Third Substitute House Bill No. 1324 entitled:

"AN ACT Relating to creating the Washington rural development and opportunity zone act."

This bill is critical for forest and fish programs and provides additional funding for tribal programs.

However, Section 2, which requires the Washington State Institute for Public Policy to conduct a fifty state review on programs that incentivize job creation and private investment in rural and distressed communities, was not funded in the budget. In addition, Section 7, the null and void clause, would void the entire bill if full funding is not provided. Because this bill is critical, I want the remainder of the bill to go into effect even if no funding is provided for some of its provisions.

For these reasons I have vetoed Sections 2 and 7 of Engrossed Third Substitute House Bill No. 1324.

With the exception of Sections 2 and 7, Engrossed Third Substitute House Bill No. 1324 is approved."

CHAPTER 337

[House Bill 1385]

UNITED STATES FOOD AND DRUG ADMINISTRATION NONPUBLIC INFORMATION--
PUBLIC RECORDS ACT EXEMPTION

AN ACT Relating to exempting United States food and drug administration nonpublic information from disclosure under the state public disclosure act; reenacting and amending RCW 42.56.380; adding a new section to chapter 15.130 RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that the United States food and drug administration has stopped sharing nonpublic information with the Washington state department of agriculture and has indicated that unless the state can protect nonpublic food and drug administration information from disclosure consistent with federal law, the food and drug administration may discontinue future contracts and cooperative agreements with the Washington state department of agriculture for food safety, feed safety, rapid response, and laboratory programs. The legislature further finds that the loss of these contracts and cooperative agreements would result in significant reductions in state food safety funding, staffing, and infrastructure. The loss of certain nonpublic information diminishes the department of agriculture's ability to respond to food-related public health emergencies and degrades the department of agriculture's capacity to support the movement of state agricultural products in interstate and international commerce. The legislature therefore intends to exempt United States food and drug administration nonpublic information from disclosure under the state public disclosure act when the department of agriculture obtains such information or records in the course of a federal contract or commissioning agreement entered into under the authority of chapter 15.130 RCW, the food safety and security act.

NEW SECTION. Sec. 2. A new section is added to chapter 15.130 RCW under the subchapter heading "general provisions" to read as follows:

The following information or records obtained from the federal food and drug administration pursuant to a contract or commissioning agreement is exempt from public inspection and copying under chapter 42.56 RCW to the extent it is exempt from disclosure under 5 U.S.C. Sec. 552, the federal freedom of information act: Trade secrets; confidential commercial information; information under the federal deliberative process privilege; information compiled for law enforcement purposes; and information expressly required to be kept confidential by other federal laws.

Sec. 3. RCW 42.56.380 and 2018 c 170 s 1 and 2018 c 106 s 11 are each reenacted and amended to read as follows:

The following information relating to agriculture and livestock is exempt from disclosure under this chapter:

- (1) Business-related information under RCW 15.86.110;
- (2) Information provided under RCW 15.54.362;
- (3) Production or sales records required to determine assessment levels and actual assessment payments to commodity boards and commissions formed under chapters 15.24, 15.26, 15.28, 15.44, 15.65, 15.66, 15.74, 15.88, 15.115, 15.100, 15.89, and 16.67 RCW or required by the department of agriculture to administer these chapters or the department's programs;

(4) Consignment information contained on phytosanitary certificates issued by the department of agriculture under chapters 15.13, 15.49, and 15.17 RCW or federal phytosanitary certificates issued under 7 C.F.R. 353 through cooperative agreements with the animal and plant health inspection service, United States department of agriculture, or on applications for phytosanitary certification required by the department of agriculture;

(5) Financial and commercial information and records supplied by persons (a) to the department of agriculture for the purpose of conducting a referendum for the potential establishment of a commodity board or commission; or (b) to the department of agriculture or commodity boards or commissions formed under chapter 15.24, 15.28, 15.44, 15.65, 15.66, 15.74, 15.88, 15.115, 15.100, 15.89, or 16.67 RCW with respect to domestic or export marketing activities or individual producer's production information;

(6) Information obtained regarding the purchases, sales, or production of an individual American ginseng grower or dealer, except for providing reports to the United States fish and wildlife service under RCW 15.19.080;

(7) Information collected regarding packers and shippers of fruits and vegetables for the issuance of certificates of compliance under RCW 15.17.140(2) and 15.17.143;

(8) Financial statements obtained under RCW 16.65.030(1)(d) for the purposes of determining whether or not the applicant meets the minimum net worth requirements to construct or operate a public livestock market;

(9) Information submitted by an individual or business to the department of agriculture under the requirements of chapters 16.36, 16.57, and 43.23 RCW for the purpose of herd inventory management for animal disease traceability. This information includes animal ownership, numbers of animals, locations, contact information, movements of livestock, financial information, the purchase and sale of livestock, account numbers or unique identifiers issued by government to private entities, and information related to livestock disease or injury that would identify an animal, a person, or location. Disclosure to local, state, and federal officials is not public disclosure. This exemption does not affect the disclosure of information used in reportable animal health investigations under chapter 16.36 RCW once they are complete;

(10) Results of testing for animal diseases from samples submitted by or at the direction of the animal owner or his or her designee that can be identified to a particular business or individual;

(11) Records of international livestock importation that can be identified to a particular animal, business, or individual received from the United States department of homeland security or the United States department of agriculture that are not disclosable by the federal agency under federal law including 5 U.S.C. Sec. 552;

(12) Records related to the entry of prohibited agricultural products imported into Washington state or that had Washington state as a final destination received from the United States department of homeland security or the United States department of agriculture that are not disclosable by the federal agency under federal law including 5 U.S.C. Sec. 552; (~~and~~)

(13) Information obtained from the federal government or others under contract with the federal government or records obtained by the department of agriculture, in accordance with RCW 15.135.100; (~~and~~)

(14) Hop grower lot numbers and laboratory results associated with the hop grower lot numbers where this information is used by the department of agriculture to issue export documents; and

(15) Information or records obtained pursuant to a food and drug administration contract or commissioning agreement, in accordance with section 2 of this act.

Passed by the House March 1, 2019.

Passed by the Senate April 25, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 338

[Substitute House Bill 1406]

AFFORDABLE AND SUPPORTIVE HOUSING--LOCAL SALES AND USE TAX

AN ACT Relating to encouraging investments in affordable and supportive housing; and adding a new section to chapter 82.14 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 82.14 RCW to read as follows:

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

(a) "Nonparticipating city" is a city that does not impose a sales and use tax in accordance with the terms of this section.

(b) "Nonparticipating county" is a county that does not impose a sales and use tax in accordance with the terms of this section.

(c) "Participating city" is a city that imposes a sales and use tax in accordance with the terms of this section.

(d) "Participating county" is a county that imposes a sales and use tax in accordance with the terms of this section.

(e) "Qualifying local tax" means the following tax sources, if the tax source is instated no later than twelve months after the effective date of this section:

(i) The affordable housing levy authorized under RCW 84.52.105;

(ii) The sales and use tax for housing and related services authorized under RCW 82.14.530, provided the city has imposed the tax at a minimum or at least half of the authorized rate;

(iii) The sales tax for chemical dependency and mental health treatment services or therapeutic courts authorized under RCW 82.14.460 imposed by a city; and

(iv) The levy authorized under RCW 84.55.050, if used solely for affordable housing.

(2)(a) A county or city legislative authority may authorize, fix, and impose a sales and use tax in accordance with the terms of this section.

(b) The tax under this section is assessed on the selling price in the case of a sales tax, or value of the article used, in the case of a use tax.

(c) The rate of the tax under this section for an individual participating city and an individual participating county may not exceed:

(i) Beginning on the effective date of this section until twelve months after the effective date of this section:

(A) 0.0073 percent for a:

(I) Participating city, unless the participating city levies a qualifying local tax; and

(II) Participating county, within the limits of nonparticipating cities within the county and within participating cities that do not currently levy a qualifying tax;

(B) 0.0146 percent for a:

(I) Participating city that currently levies a qualifying local tax;

(II) Participating city if the county in which it is located declares they will not levy the sales and use tax authorized under this section or does not adopt a resolution in accordance with this section; and

(III) Participating county within the unincorporated areas of the county and any city that declares they will not levy the sales and use tax authorized under this section or does not adopt a resolution in accordance with this section;

(ii) Beginning twelve months after the effective date of this section:

(A) 0.0073 percent for a:

(I) Participating city that is located within a participating county if the participating city is not levying a qualifying local tax; and

(II) Participating county, within the limits of a participating city if the participating city is not levying a qualifying local tax;

(B) 0.0146 percent within the limits of a:

(I) Participating city that is levying a qualifying local tax; and

(II) Participating county within the unincorporated area of the county and within the limits of any nonparticipating city that is located within the county.

(d) A county may not levy the tax authorized under this section within the limits of a participating city that levies a qualifying local tax.

(e)(i) In order for a county or city legislative authority to impose the tax under this section, the authority must adopt:

(A) A resolution of intent to adopt legislation to authorize the maximum capacity of the tax in this section within six months of the date in which this section takes effect; and

(B) Legislation to authorize the maximum capacity of the tax in this section within one year of the date on which this section takes effect.

(ii) Adoption of the resolution of intent and legislation requires simple majority approval of the enacting legislative authority.

(iii) If a county or city has not adopted a resolution of intent in accordance with the terms of this section, the county or city may not authorize, fix, and impose the tax.

(3) The tax imposed under this section must be deducted from the amount of tax otherwise required to be collected or paid to the department of revenue under chapter 82.08 or 82.12 RCW. The department must perform the collection of such taxes on behalf of the county or city at no cost to the county or city.

(4) By December 31, 2019, or within thirty days of a county or city authorizing the tax under this section, whichever is later, the department must calculate the maximum amount of tax distributions for each county and city authorizing the tax under this section as follows:

(a) The maximum amount for a participating county equals the taxable retail sales within the county in state fiscal year 2019 multiplied by the tax rate imposed under this section. If a county imposes a tax authorized under this section after a city located in that county has imposed the tax, the taxable retail sales within the city in state fiscal year 2019 must be subtracted from the taxable retail sales within the county for the calculation of the maximum amount; and

(b) The maximum amount for a city equals the taxable retail sales within the city in state fiscal year 2019 multiplied by the tax rate imposed under subsection (1) of this section.

(5) The tax must cease to be distributed to a county or city for the remainder of any fiscal year in which the amount of tax exceeds the maximum amount in subsection (4) of this section. The department must remit any annual tax revenues above the maximum to the state treasurer for deposit in the general fund. Distributions to a county or city meeting the maximum amount must resume at the beginning of the next fiscal year.

(6)(a) If a county has a population greater than four hundred thousand or a city has a population greater than one hundred thousand, the moneys collected or bonds issued under this section may only be used for the following purposes:

(i) Acquiring, rehabilitating, or constructing affordable housing, which may include new units of affordable housing within an existing structure or facilities providing supportive housing services under RCW 71.24.385; or

(ii) Funding the operations and maintenance costs of new units of affordable or supportive housing.

(b) If a county has a population of four hundred thousand or less or a city has a population of one hundred thousand or less, the moneys collected under this section may only be used for the purposes provided in (a) of this subsection or for providing rental assistance to tenants.

(7) The housing and services provided pursuant to subsection (6) of this section may only be provided to persons whose income is at or below sixty percent of the median income of the county or city imposing the tax.

(8) In determining the use of funds under subsection (6) of this section, a county or city must consider the income of the individuals and families to be served, the leveraging of the resources made available under this section, and the housing needs within the jurisdiction of the taxing authority.

(9) To carry out the purposes of this section including, but not limited to, financing loans or grants to nonprofit organizations or public housing authorities, the legislative authority of the county or city imposing the tax has the authority to issue general obligation or revenue bonds within the limitations now or hereafter prescribed by the laws of this state, and may use, and is authorized to pledge, the moneys collected under this section for repayment of such bonds.

(10) A county or city may enter into an interlocal agreement with one or more counties, cities, or public housing authorities in accordance with chapter 39.34 RCW. The agreement may include, but is not limited to, pooling the tax receipts received under this section, pledging those taxes to bonds issued by one or more parties to the agreement, and allocating the proceeds of the taxes levied or the bonds issued in accordance with such interlocal agreement and this section.

(11) Counties and cities imposing the tax under this section must report annually to the department of commerce on the collection and use of the

revenue. The department of commerce must adopt rules prescribing content of such reports. By December 1, 2019, and annually thereafter, and in compliance with RCW 43.01.036, the department of commerce must submit a report annually to the appropriate legislative committees with regard to such uses.

(12) The tax imposed by a county or city under this section expires twenty years after the date on which the tax is first imposed.

Passed by the House April 28, 2019.

Passed by the Senate April 28, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 339

[House Bill 1462]

LANDLORD NOTICE TO TENANT--DEMOLISH, REHABILITATE, OR CHANGE USE OF RESIDENTIAL PROPERTY

AN ACT Relating to providing notice of plans to demolish, substantially rehabilitate, or change use of residential premises; amending RCW 59.18.200; and prescribing penalties.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 59.18.200 and 2008 c 113 s 4 are each amended to read as follows:

(1)(a) When premises are rented for an indefinite time, with monthly or other periodic rent reserved, such tenancy shall be construed to be a tenancy from month to month, or from period to period on which rent is payable, and shall be terminated by written notice of twenty days or more, preceding the end of any of the months or periods of tenancy, given by either party to the other.

(b) Any tenant who is a member of the armed forces, including the national guard and armed forces reserves, or that tenant's spouse or dependent, may terminate a rental agreement with less than twenty days' notice if the tenant receives reassignment or deployment orders that do not allow a twenty-day notice.

(2)(a) Whenever a landlord plans to change to a policy of excluding children, the landlord shall give a written notice to a tenant at least ninety days before termination of the tenancy to effectuate such change in policy. Such ninety-day notice shall be in lieu of the notice required by subsection (1) of this section. However, if after giving the ninety-day notice the change in policy is delayed, the notice requirements of subsection (1) of this section shall apply unless waived by the tenant.

(b) Whenever a landlord plans to change any apartment or apartments to a condominium form of ownership, the landlord shall provide a written notice to a tenant at least one hundred twenty days before termination of the tenancy, in compliance with RCW 64.34.440(1), to effectuate such change. The one hundred twenty-day notice is in lieu of the notice required in subsection (1) of this section. However, if after providing the one hundred twenty-day notice the change to a condominium form of ownership is delayed, the notice requirements in subsection (1) of this section apply unless waived by the tenant.

(c)(i) Whenever a landlord plans to demolish or substantially rehabilitate premises or plans a change of use of premises, the landlord shall provide a

written notice to a tenant at least one hundred twenty days before termination of the tenancy. This subsection (2)(c)(i) does not apply to jurisdictions that have created a relocation assistance program under RCW 59.18.440 and otherwise provide one hundred twenty days' notice.

(ii) For purposes of this subsection (2)(c):

(A) "Assisted housing development" means a multifamily rental housing development that either receives government assistance and is defined as federally assisted housing in RCW 59.28.020, or that receives other federal, state, or local government assistance and is subject to use restrictions.

(B) "Change of use" means: (I) Conversion of any premises from a residential use to a nonresidential use that results in the displacement of an existing tenant; (II) conversion from one type of residential use to another type of residential use that results in the displacement of an existing tenant, such as conversion to a retirement home, emergency shelter, or transient hotel; or (III) conversion following removal of use restrictions from an assisted housing development that results in the displacement of an existing tenant: PROVIDED, That displacement of an existing tenant in order that the owner or a member of the owner's immediate family may occupy the premises does not constitute a change of use.

(C) "Demolish" means the destruction of premises or the relocation of premises to another site that results in the displacement of an existing tenant.

(D) "Substantially rehabilitate" means extensive structural repair or extensive remodeling of premises that requires a permit such as a building, electrical, plumbing, or mechanical permit, and that results in the displacement of an existing tenant.

(3) A person in violation of subsection (2)(c)(i) of this section may be held liable in a civil action up to three times the monthly rent of the real property at issue. The prevailing party may also recover court costs and reasonable attorneys' fees.

Passed by the House April 23, 2019.

Passed by the Senate April 13, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 340

[Substitute House Bill 1476]

DOGS AND CATS--CONTRACTS FOR PURCHASE

AN ACT Relating to contracts for dogs and cats; amending RCW 62A.9A-109; adding a new section to chapter 63.10 RCW; adding a new section to chapter 63.14 RCW; adding a new section to chapter 31.04 RCW; and creating new sections.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 63.10 RCW to read as follows:

A contract entered into on or after the effective date of this section to transfer ownership of a live dog or cat in which ownership is contingent upon the making of payments over a period of time subsequent to the transfer of possession of the live dog or cat, or provides for or offers the option of

transferring ownership of the dog or cat at the end of a lease term, is void and unenforceable.

NEW SECTION, Sec. 2. A new section is added to chapter 63.14 RCW to read as follows:

A retail installment contract entered into on or after the effective date of this section that includes a live dog or cat as a security interest for the contract is void and unenforceable.

NEW SECTION, Sec. 3. A new section is added to chapter 31.04 RCW to read as follows:

A contract entered into on or after the effective date of this section for the payment to repay a loan for the purchase of a live dog or cat, where a security interest is granted in the dog or cat, is void and unenforceable.

Sec. 4. RCW 62A.9A-109 and 2000 c 250 s 9A-109 are each amended to read as follows:

(a) **General scope of Article.** Except as otherwise provided in subsections (c) and (d) of this section, this Article applies to:

(1) A transaction, regardless of its form, that creates a security interest in personal property or fixtures by contract;

(2) An agricultural lien;

(3) A sale of accounts, chattel paper, payment intangibles, or promissory notes;

(4) A consignment;

(5) A security interest arising under RCW 62A.2-401, 62A.2-505, 62A.2-711(3), or 62A.2A-508(5), as provided in RCW 62A.9A-110; and

(6) A security interest arising under RCW 62A.4-210 or 62A.5-118.

(b) **Security interest in secured obligation.** The application of this Article to a security interest in a secured obligation is not affected by the fact that the obligation is itself secured by a transaction or interest to which this Article does not apply.

(c) **Extent to which Article does not apply.** This Article does not apply to the extent that:

(1) A statute, regulation, or treaty of the United States preempts this Article;

(2) Another statute of this state expressly governs the creation, perfection, priority, or enforcement of a security interest created by this state or a governmental unit of this state;

(3) A statute of another state, a foreign country, or a governmental unit of another state or a foreign country, other than a statute generally applicable to security interests, expressly governs creation, perfection, priority, or enforcement of a security interest created by the state, country, or governmental unit; or

(4) The rights of a transferee beneficiary or nominated person under a letter of credit are independent and superior under RCW 62A.5-114.

(d) **Inapplicability of Article.** This Article does not apply to:

(1) A landlord's lien, other than an agricultural lien;

(2) A lien, other than an agricultural lien, given by statute or other rule of law for services or materials, but RCW 62A.9A-333 applies with respect to priority of the lien;

(3) An assignment of a claim for wages, salary, or other compensation of an employee;

(4) A sale of accounts, chattel paper, payment intangibles, or promissory notes as part of a sale of the business out of which they arose;

(5) An assignment of accounts, chattel paper, payment intangibles, or promissory notes which is for the purpose of collection only;

(6) An assignment of a right to payment under a contract to an assignee that is also obligated to perform under the contract;

(7) An assignment of a single account, payment intangible, or promissory note to an assignee in full or partial satisfaction of a preexisting indebtedness;

(8) A transfer of an interest in or an assignment of a claim under a policy of insurance, other than an assignment by or to a health-care provider of a health-care-insurance receivable and any subsequent assignment of the right to payment, but RCW 62A.9A-315 and 62A.9A-322 apply with respect to proceeds and priorities in proceeds;

(9) An assignment of a right represented by a judgment, other than a judgment taken on a right to payment that was collateral;

(10) A right of recoupment or set-off, but:

(A) RCW 62A.9A-340 applies with respect to the effectiveness of rights of recoupment or set-off against deposit accounts; and

(B) RCW 62A.9A-404 applies with respect to defenses or claims of an account debtor;

(11) The creation or transfer of an interest in or lien on real property, including a lease or rents thereunder, except to the extent that provision is made for:

(A) Liens on real property in RCW 62A.9A-203 and 62A.9A-308;

(B) Fixtures in RCW 62A.9A-334;

(C) Fixture filings in RCW 62A.9A-501, 62A.9A-502, 62A.9A-512, 62A.9A-516, and 62A.9A-519; and

(D) Security agreements covering personal and real property in RCW 62A.9A-604;

(12) An assignment of a claim arising in tort, other than a commercial tort claim, but RCW 62A.9A-315 and 62A.9A-322 apply with respect to proceeds and priorities in proceeds;

(13) An assignment in a consumer transaction of a deposit account on which checks can be drawn, but RCW 62A.9A-315 and 62A.9A-322 apply with respect to proceeds and priorities in proceeds; ((~~or~~))

(14) A transfer by this state or a governmental unit of this state; or

(15) The creation or transfer of an interest in or lien on a live dog or cat.

NEW SECTION. Sec. 5. In addition to any other remedies provided by law, the consumer taking possession of a live dog or cat that is transferred under a contract declared to be void and unenforceable under section 1, 2, or 3 of this act is deemed the owner of the dog or cat and is also entitled to the return of all amounts the consumer paid under the contract.

NEW SECTION. Sec. 6. Nothing in this act may be construed to apply to contracts for payments to repay an unsecured loan for the purchase of a live dog or cat.

Passed by the House April 23, 2019.

Passed by the Senate April 12, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 341

[House Bill 1499]

CERTAIN PUBLIC FACILITIES DISTRICTS--RECREATIONAL FACILITIES

AN ACT Relating to authorizing certain public facilities districts to acquire, construct, own, remodel, maintain, equip, reequip, repair, finance, and operate one or more recreational facilities other than a ski area with voter approval; and amending RCW 35.57.020.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 35.57.020 and 2010 c 192 s 2 are each amended to read as follows:

(1)(a) A public facilities district is authorized to acquire, construct, own, remodel, maintain, equip, reequip, repair, finance, and operate one or more regional centers. For purposes of this chapter, "regional center" means a convention, conference, or special events center, or any combination of facilities, and related parking facilities, serving a regional population constructed, improved, or rehabilitated after July 25, 1999, at a cost of at least ten million dollars, including debt service. "Regional center" also includes an existing convention, conference, or special events center, and related parking facilities, serving a regional population, that is improved or rehabilitated after July 25, 1999, where the costs of improvement or rehabilitation are at least ten million dollars, including debt service. A "special events center" is a facility, available to the public, used for community events, sporting events, trade shows, and artistic, musical, theatrical, or other cultural exhibitions, presentations, or performances. A regional center is conclusively presumed to serve a regional population if state and local government investment in the construction, improvement, or rehabilitation of the regional center is equal to or greater than ten million dollars.

(b) A public facilities district created under RCW 35.57.010(1)(e):

(i) Is authorized, in addition to the authority granted under (a) of this subsection, to acquire, construct, own, remodel, maintain, equip, reequip, repair, finance, and operate one or more recreational facilities other than a ski area;

(ii) If exercising its authority under (a) or (b)(i) of this subsection, must obtain voter approval to fund each recreational facility or regional center pursuant to RCW 82.14.048(~~((3))~~) (4)(a); and

(iii) Possesses all of the powers with respect to recreational facilities other than a ski area that all public facilities districts possess with respect to regional centers under subsections (3), (4), and (7) of this section.

(c) A public facilities district created under RCW 35.57.010(1)(a) by a city or town that participated in the creation of an additional public facilities district under RCW 35.57.010(1)(e):

(i) Is authorized, in addition to the authority granted under (a) of this subsection, to acquire, construct, own, remodel, maintain, equip, reequip, repair, finance, and operate one or more recreational facilities other than a ski area;

(ii) If exercising its authority under (c)(i) of this subsection, must obtain voter approval to fund each recreational facility pursuant to RCW 82.14.048(4)(a); and

(iii) Possesses all of the powers with respect to recreational facilities other than a ski area that all public facilities districts possess with respect to regional centers.

(2) A public facilities district may enter into contracts with any city or town for the purpose of exercising any powers of a community renewal agency under chapter 35.81 RCW.

(3) A public facilities district may impose charges and fees for the use of its facilities, and may accept and expend or use gifts, grants, and donations for the purpose of a regional center.

(4) A public facilities district may impose charges, fees, and taxes authorized in RCW 35.57.040, and use revenues derived therefrom for the purpose of paying principal and interest payments on bonds issued by the public facilities district to construct a regional center.

(5) Notwithstanding the establishment of a career, civil, or merit service system, a public facilities district may contract with a public or private entity for the operation or management of its public facilities.

(6) A public facilities district is authorized to use the supplemental alternative public works contracting procedures set forth in chapter 39.10 RCW in connection with the design, construction, reconstruction, remodel, or alteration of any regional center.

(7) A city or town in conjunction with any special agency, authority, or other district established by a county or any other governmental agency is authorized to use the supplemental alternative public works contracting procedures set forth in chapter 39.10 RCW in connection with the design, construction, reconstruction, remodel, or alteration of any regional center funded in whole or in part by a public facilities district.

(8) Any provision required to be submitted for voter approval under this section, may not be submitted for voter approval prior to January 1, 2011.

Passed by the House March 7, 2019.

Passed by the Senate April 25, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 342

[Engrossed Substitute House Bill 1582]

MANUFACTURED/MOBILE HOME TENANTS--VARIOUS PROVISIONS

AN ACT Relating to manufactured/mobile home tenant protections; amending RCW 59.20.030, 59.20.045, 59.20.060, 59.20.070, 59.20.073, 59.20.080, 59.20.210, and 59.21.030; adding new sections to chapter 59.20 RCW; adding a new section to chapter 59.21 RCW; creating a new section; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 59.20.030 and 2008 c 116 s 2 are each amended to read as follows:

For purposes of this chapter:

(1) "Abandoned" as it relates to a mobile home, manufactured home, or park model owned by a tenant in a mobile home park, mobile home park cooperative, or mobile home park subdivision or tenancy in a mobile home lot means the tenant has defaulted in rent and by absence and by words or actions reasonably indicates the intention not to continue tenancy;

(2) "Eligible organization" includes local governments, local housing authorities, nonprofit community or neighborhood-based organizations, federally recognized Indian tribes in the state of Washington, and regional or statewide nonprofit housing assistance organizations;

(3) "Housing and low-income assistance organization" means an organization that provides tenants living in mobile home parks, manufactured housing communities, and manufactured/mobile home communities with information about their rights and other pertinent information;

(4) "Housing authority" or "authority" means any of the public body corporate and politic created in RCW 35.82.030;

~~((4))~~ (5) "Landlord" means the owner of a mobile home park and includes the agents of a landlord;

~~((5))~~ (6) "Local government" means a town government, city government, code city government, or county government in the state of Washington;

~~((6))~~ (7) "Manufactured home" means a single-family dwelling built according to the United States department of housing and urban development manufactured home construction and safety standards act, which is a national preemptive building code. A manufactured home also: (a) Includes plumbing, heating, air conditioning, and electrical systems; (b) is built on a permanent chassis; and (c) can be transported in one or more sections with each section at least eight feet wide and forty feet long when transported, or when installed on the site is three hundred twenty square feet or greater;

~~((7))~~ (8) "Manufactured/mobile home" means either a manufactured home or a mobile home;

~~((8))~~ (9) "Mobile home" means a factory-built dwelling built prior to June 15, 1976, to standards other than the United States department of housing and urban development code, and acceptable under applicable state codes in effect at the time of construction or introduction of the home into the state. Mobile homes have not been built since the introduction of the United States department of housing and urban development manufactured home construction and safety act;

~~((9))~~ (10) "Mobile home lot" means a portion of a mobile home park or manufactured housing community designated as the location of one mobile home, manufactured home, or park model and its accessory buildings, and intended for the exclusive use as a primary residence by the occupants of that mobile home, manufactured home, or park model;

~~((10))~~ (11) "Mobile home park," "manufactured housing community," or "manufactured/mobile home community" means any real property which is rented or held out for rent to others for the placement of two or more mobile homes, manufactured homes, or park models for the primary purpose of production of income, except where such real property is rented or held out for rent for seasonal recreational purpose only and is not intended for year-round occupancy;

~~((11))~~ (12) "Mobile home park cooperative" or "manufactured housing cooperative" means real property consisting of common areas and two or more

lots held out for placement of mobile homes, manufactured homes, or park models in which both the individual lots and the common areas are owned by an association of shareholders which leases or otherwise extends the right to occupy individual lots to its own members;

~~((12))~~ (13) "Mobile home park subdivision" or "manufactured housing subdivision" means real property, whether it is called a subdivision, condominium, or planned unit development, consisting of common areas and two or more lots held for placement of mobile homes, manufactured homes, or park models in which there is private ownership of the individual lots and common, undivided ownership of the common areas by owners of the individual lots;

~~((13))~~ (14) "Notice of sale" means a notice required under RCW 59.20.300 to be delivered to all tenants of a manufactured/mobile home community and other specified parties within fourteen days after the date on which any advertisement, multiple listing, or public notice advertises that a manufactured/mobile home community is for sale;

~~((14))~~ (15) "Park model" means a recreational vehicle intended for permanent or semi-permanent installation and is used as a primary residence;

~~((15))~~ (16) "Qualified sale of manufactured/mobile home community" means the sale, as defined in RCW 82.45.010, of land and improvements comprising a manufactured/mobile home community that is transferred in a single purchase to a qualified tenant organization or to an eligible organization for the purpose of preserving the property as a manufactured/mobile home community;

~~((16))~~ (17) "Qualified tenant organization" means a formal organization of tenants within a manufactured/mobile home community, with the only requirement for membership consisting of being a tenant;

~~((17))~~ (18) "Recreational vehicle" means a travel trailer, motor home, truck camper, or camping trailer that is primarily designed and used as temporary living quarters, is either self-propelled or mounted on or drawn by another vehicle, is transient, is not occupied as a primary residence, and is not immobilized or permanently affixed to a mobile home lot;

~~((18))~~ (19) "Tenant" means any person, except a transient, who rents a mobile home lot;

~~((19))~~ (20) "Transient" means a person who rents a mobile home lot for a period of less than one month for purposes other than as a primary residence;

~~((20))~~ (21) "Occupant" means any person, including a live-in care provider, other than a tenant, who occupies a mobile home, manufactured home, or park model and mobile home lot.

Sec. 2. RCW 59.20.045 and 1993 c 66 s 18 are each amended to read as follows:

Rules are enforceable against a tenant only if:

(1) Their purpose is to promote the convenience, health, safety, or welfare of the residents, protect and preserve the premises from abusive use, or make a fair distribution of services and facilities made available for the tenants generally;

(2) They are reasonably related to the purpose for which they are adopted;

(3) They apply to all tenants in a fair manner;

(4) They are not for the purpose of evading an obligation of the landlord;

~~((and))~~

(5) They are not retaliatory or discriminatory in nature; and

(6) With respect to any new or amended rules not contained within the rental agreement, the tenant was provided at least thirty days' written notice of the new or amended rule. The tenant must be provided with at least three months to comply with the new or amended rule after the thirty-day notice period. Within the three-month grace period, any violation of the new or amended rule must result in a warning only. After expiration of the three-month grace period, any violation of the new or amended rule subjects the tenant to termination of the tenancy as authorized under RCW 59.20.080(1)(a).

Sec. 3. RCW 59.20.060 and 2012 c 213 s 1 are each amended to read as follows:

(1) Any mobile home space tenancy regardless of the term, shall be based upon a written rental agreement, signed by the parties, which shall contain:

(a) The terms for the payment of rent, including time and place, and any additional charges to be paid by the tenant. Additional charges that occur less frequently than monthly shall be itemized in a billing to the tenant;

(b) Reasonable rules for guest parking which shall be clearly stated;

(c) The rules and regulations of the park;

(d) The name and address of the person who is the landlord, and if such person does not reside in the state there shall also be designated by name and address a person who resides in the county where the mobile home park is located who is authorized to act as agent for the purposes of service of notices and process. If no designation is made of a person to act as agent, then the person to whom rental payments are to be made shall be considered the agent;

(e) The name and address of any party who has a secured interest in the mobile home, manufactured home, or park model;

(f) A forwarding address of the tenant or the name and address of a person who would likely know the whereabouts of the tenant in the event of an emergency or an abandonment of the mobile home, manufactured home, or park model;

(g)(i) A covenant by the landlord that, except for acts or events beyond the control of the landlord, the mobile home park will not be converted to a land use that will prevent the space that is the subject of the lease from continuing to be used for its intended use for a period of three years after the beginning of the term of the rental agreement;

(ii) A rental agreement may, in the alternative, contain a statement that: "The park may be sold or otherwise transferred at any time with the result that subsequent owners may close the mobile home park, or that the landlord may close the park at any time after the required closure notice as provided in RCW 59.20.080." The covenant or statement required by this subsection must: (A) Appear in print that is in bold face and is larger than the other text of the rental agreement; (B) be set off by means of a box, blank space, or comparable visual device; and (C) be located directly above the tenant's signature on the rental agreement((-);

(h) A copy of a closure notice, as required in RCW 59.20.080, if such notice is in effect;

(i) The terms and conditions under which any deposit or portion thereof may be withheld by the landlord upon termination of the rental agreement if any

moneys are paid to the landlord by the tenant as a deposit or as security for performance of the tenant's obligations in a rental agreement;

~~((f))~~ (j) A listing of the utilities, services, and facilities which will be available to the tenant during the tenancy and the nature of the fees, if any, to be charged together with a statement that, in the event any utilities are to be charged independent of the rent during the term of the rental agreement, the landlord agrees to decrease the amount of the rent charged proportionately;

~~((g))~~ (k) A written description, picture, plan, or map of the boundaries of a mobile home space sufficient to inform the tenant of the exact location of the tenant's space in relation to other tenants' spaces;

~~((h))~~ (l) A written description, picture, plan, or map of the location of the tenant's responsibility for utility hook-ups, consistent with RCW 59.20.130(6);

~~((i))~~ (m) A statement of the current zoning of the land on which the mobile home park is located; ~~(and~~

~~((n))~~ (n) A statement of the expiration date of any conditional use, temporary use, or other land use permit subject to a fixed expiration date that is necessary for the continued use of the land as a mobile home park; and

(o) A written statement containing accurate historical information regarding the past five years' rental amount charged for the lot or space.

(2) Any rental agreement executed between the landlord and tenant shall not contain any provision:

(a) Which allows the landlord to charge a fee for guest parking unless a violation of the rules for guest parking occurs: PROVIDED, That a fee may be charged for guest parking which covers an extended period of time as defined in the rental agreement;

(b) Which authorizes the towing or impounding of a vehicle except upon notice to the owner thereof or the tenant whose guest is the owner of the vehicle;

(c) Which allows the landlord to alter the due date for rent payment or increase the rent: (i) During the term of the rental agreement if the term is less than ~~((one))~~ two years, or (ii) more frequently than annually if the initial term is for ~~((one))~~ two years or more: PROVIDED, That a rental agreement may include an escalation clause for a pro rata share of any increase in the mobile home park's real property taxes or utility assessments or charges, over the base taxes or utility assessments or charges of the year in which the rental agreement took effect, if the clause also provides for a pro rata reduction in rent or other charges in the event of a reduction in real property taxes or utility assessments or charges, below the base year: PROVIDED FURTHER, That a rental agreement for a term exceeding ~~((one))~~ two years may provide for annual increases in rent in specified amounts or by a formula specified in such agreement. Any rent increase authorized under this subsection (2)(c) that occurs within the closure notice period pursuant to RCW 59.20.080(1)(e) may not be more than one percentage point above the United States consumer price index for all urban consumers, housing component, published by the United States bureau of labor statistics in the periodical "Monthly Labor Review and Handbook of Labor Statistics" as established annually by the department of commerce;

(d) By which the tenant agrees to waive or forego rights or remedies under this chapter;

(e) Allowing the landlord to charge an "entrance fee" or an "exit fee." However, an entrance fee may be charged as part of a continuing care contract as defined in RCW 70.38.025;

(f) Which allows the landlord to charge a fee for guests: PROVIDED, That a landlord may establish rules charging for guests who remain on the premises for more than fifteen days in any sixty-day period;

(g) By which the tenant agrees to waive or forego homestead rights provided by chapter 6.13 RCW. This subsection shall not prohibit such waiver after a default in rent so long as such waiver is in writing signed by the husband and wife or by an unmarried claimant and in consideration of the landlord's agreement not to terminate the tenancy for a period of time specified in the waiver if the landlord would be otherwise entitled to terminate the tenancy under this chapter; or

(h) By which, at the time the rental agreement is entered into, the landlord and tenant agree to the selection of a particular arbitrator.

(3) Any provision prohibited under this section that is included in a rental agreement is unenforceable.

Sec. 4. RCW 59.20.070 and 2012 c 213 s 2 are each amended to read as follows:

A landlord shall not:

(1) Deny any tenant the right to sell such tenant's mobile home, manufactured home, or park model within a park, or prohibit, in any manner, any tenant from posting on the tenant's manufactured/mobile home or park model, or on the rented mobile home lot, a commercially reasonable "for sale" sign or any similar sign designed to advertise the sale of the manufactured/mobile home or park model. In addition, a landlord shall not require the removal of the mobile home, manufactured home, or park model from the park because of the sale thereof. Requirements for the transfer of the rental agreement are in RCW 59.20.073. Nothing in this subsection prohibits a landlord from enforcing reasonable rules or restrictions regarding the placement of "for sale" signs on the tenant's manufactured/mobile home or park model, or on the rented mobile home lot, if (a) the main purpose of the rules or restrictions is to protect the safety of park tenants or residents and (b) the rules or restrictions comply with RCW 59.20.045. The landlord may restrict the number of "for sale" signs on the lot to two and may restrict the size of the signs to conform to those in common use by home sale businesses;

(2) Restrict the tenant's freedom of choice in purchasing goods or services but may reserve the right to approve or disapprove any exterior structural improvements on a mobile home space: PROVIDED, That door-to-door solicitation in the mobile home park may be restricted in the rental agreement. Door-to-door solicitation does not include public officials, housing and low-income assistance organizations, or candidates for public office meeting or distributing information to tenants in accordance with subsection (3) or (4) of this section;

(3) Prohibit the distribution of information or meetings by tenants of the mobile home park to discuss mobile home living and affairs, including political caucuses or forums for or speeches of public officials or candidates for public office, meetings with housing and low-income assistance organizations, or meetings of organizations that represent the interest of tenants in the park, held

in a tenant's home or any of the park community or recreation halls if these halls are open for the use of the tenants, conducted at reasonable times and in an orderly manner on the premises, nor penalize any tenant for participation in such activities;

(4) Prohibit a public official, housing and low-income assistance organization, or candidate for public office from meeting with or distributing information to tenants in their individual mobile homes, manufactured homes, or park models, nor penalize any tenant for participating in these meetings or receiving this information;

(5) Evict a tenant, terminate a rental agreement, decline to renew a rental agreement, increase rental or other tenant obligations, decrease services, or modify park rules in retaliation for any of the following actions on the part of a tenant taken in good faith:

(a) Filing a complaint with any federal, state, county, or municipal governmental authority relating to any alleged violation by the landlord of an applicable statute, regulation, or ordinance;

(b) Requesting the landlord to comply with the provision of this chapter or other applicable statute, regulation, or ordinance of the state, county, or municipality;

(c) Filing suit against the landlord for any reason;

(d) Participation or membership in any homeowners association or group;

(6) Charge to any tenant a utility fee in excess of actual utility costs or intentionally cause termination or interruption of any tenant's utility services, including water, heat, electricity, or gas, except when an interruption of a reasonable duration is required to make necessary repairs;

(7) Remove or exclude a tenant from the premises unless this chapter is complied with or the exclusion or removal is under an appropriate court order; or

(8) Prevent the entry or require the removal of a mobile home, manufactured home, or park model for the sole reason that the mobile home has reached a certain age. Nothing in this subsection shall limit a (~~landlords'~~) landlord's right to exclude or expel a mobile home, manufactured home, or park model for any other reason, including but not limited to, failure to comply with fire, safety, and other provisions of local ordinances and state laws relating to mobile homes, manufactured homes, and park models, as long as the action conforms to this chapter or any other relevant statutory provision.

Sec. 5. RCW 59.20.073 and 2012 c 213 s 3 are each amended to read as follows:

(1) Any rental agreement shall be assignable by the tenant to any person to whom he or she sells or transfers title to the mobile home, manufactured home, or park model.

(2) A tenant who sells a mobile home, manufactured home, or park model within a park shall notify the landlord in writing of the date of the intended sale and transfer of the rental agreement at least fifteen days in advance of such intended transfer and shall notify the buyer in writing of the provisions of this section. The tenant shall verify in writing to the landlord payment of all taxes, rent, and reasonable expenses due on the mobile home, manufactured home, or park model and mobile home lot. The tenant shall notify the buyer of all taxes, rent, and reasonable expenses due on the manufactured/mobile home or park model and the mobile home lot.

(3) ~~((The landlord shall notify the selling tenant, in writing, of a refusal to permit transfer of the rental agreement at least seven days in advance of such intended transfer.))~~ At least seven days in advance of such intended transfer, the landlord shall:

(a) Notify the selling tenant, in writing, of a refusal to permit transfer of the rental agreement; or

(b) If the landlord approves of the transfer, provide the buyer with copies of the written rental agreement, the rules and regulations, and all other documents related to the tenancy. A landlord may not accept payment for rent or deposit from the buyer until the landlord has provided the buyer with these copies.

(4) The landlord may require the mobile home, manufactured home, or park model to meet applicable fire and safety standards if a state or local agency responsible for the enforcement of fire and safety standards has issued a notice of violation of those standards to the tenant and those violations remain uncorrected. Upon correction of the violation to the satisfaction of the state or local agency responsible for the enforcement of that notice of violation, the landlord's refusal to permit the transfer is deemed withdrawn.

(5) The landlord shall approve or disapprove of the assignment of a rental agreement on the same basis that the landlord approves or disapproves of any new tenant, and any disapproval shall be in writing. Consent to an assignment shall not be unreasonably withheld.

(6) Failure to notify the landlord in writing, as required under subsection (2) of this section; or failure of the new tenant to make a good faith attempt to arrange an interview with the landlord to discuss assignment of the rental agreement; or failure of the current or new tenant to obtain written approval of the landlord for assignment of the rental agreement, shall be grounds for disapproval of such transfer.

Sec. 6. RCW 59.20.080 and 2012 c 213 s 4 are each amended to read as follows:

(1) A landlord shall not terminate or fail to renew a tenancy of a tenant or the occupancy of an occupant, of whatever duration except for one or more of the following reasons:

(a) In accordance with RCW 59.20.045(6), substantial violation, or repeated or periodic violations, of an enforceable rule of the mobile home park as established by the landlord at the inception of or during the tenancy ~~((or as assumed subsequently with the consent of the tenant))~~ or for violation of the tenant's duties as provided in RCW 59.20.140. The tenant shall be given written notice to cease the rule violation immediately. The notice shall state that failure to cease the violation of the rule or any subsequent violation of that or any other rule shall result in termination of the tenancy, and that the tenant shall vacate the premises within ~~((fifteen))~~ twenty days: PROVIDED, That for a periodic violation the notice shall also specify that repetition of the same violation shall result in termination: PROVIDED FURTHER, That in the case of a violation of a "material change" in park rules with respect to pets, tenants with minor children living with them, or recreational facilities, the tenant shall be given written notice under this chapter of a six month period in which to comply or vacate;

(b) Nonpayment of rent or other charges specified in the rental agreement, upon (~~(five)~~) fourteen days written notice to pay rent and/or other charges or to vacate;

(c) Conviction of the tenant of a crime, commission of which threatens the health, safety, or welfare of the other mobile home park tenants. The tenant shall be given written notice of a fifteen day period in which to vacate;

(d) Failure of the tenant to comply with local ordinances and state laws and regulations relating to mobile homes, manufactured homes, or park models or mobile home, manufactured homes, or park model living within a reasonable time after the tenant's receipt of notice of such noncompliance from the appropriate governmental agency;

(e) Change of land use of the mobile home park including, but not limited to, closure of the mobile home park or conversion to a use other than for mobile homes, manufactured homes, or park models or conversion of the mobile home park to a mobile home park cooperative or mobile home park subdivision. The landlord shall give the tenants twelve months' notice in advance of the effective date of such change. The closure notice requirement does not apply if:

(i) The mobile home park or manufactured housing community has been acquired for or is under imminent threat of condemnation;

(ii) The mobile home park or manufactured housing community is sold to an organization comprised of park or community tenants, to a nonprofit organization, to a local government, or to a housing authority for the purpose of preserving the park or community; or

(iii) The landlord compensates the tenants for the loss of their homes at their assessed value, as determined by the county assessor as of the date the closure notice is issued, at any point during the closure notice period and prior to a change of use or sale of the property. At such time as the compensation is paid, the tenant shall be given written notice of at least ninety days in which to vacate, and the tenant shall continue to pay rent for as much time as he or she remains in the mobile home park or manufactured housing community;

(f) Engaging in "criminal activity." "Criminal activity" means a criminal act defined by statute or ordinance that threatens the health, safety, or welfare of the tenants. A park owner seeking to evict a tenant or occupant under this subsection need not produce evidence of a criminal conviction, even if the alleged misconduct constitutes a criminal offense. Notice from a law enforcement agency of criminal activity constitutes sufficient grounds, but not the only grounds, for an eviction under this subsection. Notification of the seizure of illegal drugs under RCW 59.20.155 is evidence of criminal activity and is grounds for an eviction under this subsection. The requirement that any tenant or occupant register as a sex offender under RCW 9A.44.130 is grounds for eviction of the sex offender under this subsection. If criminal activity is alleged to be a basis of termination, the park owner may proceed directly to an unlawful detainer action;

(g) The tenant's application for tenancy contained a material misstatement that induced the park owner to approve the tenant as a resident of the park, and the park owner discovers and acts upon the misstatement within one year of the time the resident began paying rent;

(h) If the landlord serves a tenant three (~~(fifteen-day)~~) twenty-day notices, each of which was valid under (a) of this subsection at the time of service, within

a twelve-month period to comply or vacate for failure to comply with the material terms of the rental agreement or an enforceable park rule, other than failure to pay rent by the due date. The applicable twelve-month period shall commence on the date of the first violation;

(i) Failure of the tenant to comply with obligations imposed upon tenants by applicable provisions of municipal, county, and state codes, statutes, ordinances, and regulations, including this chapter. The landlord shall give the tenant written notice to comply immediately. The notice must state that failure to comply will result in termination of the tenancy and that the tenant shall vacate the premises within fifteen days;

(j) The tenant engages in disorderly or substantially annoying conduct upon the park premises that results in the destruction of the rights of others to the peaceful enjoyment and use of the premises. The landlord shall give the tenant written notice to comply immediately. The notice must state that failure to comply will result in termination of the tenancy and that the tenant shall vacate the premises within fifteen days;

(k) The tenant creates a nuisance that materially affects the health, safety, and welfare of other park residents. The landlord shall give the tenant written notice to cease the conduct that constitutes a nuisance immediately. The notice must describe the nuisance and state (i) what the tenant must do to cease the nuisance and (ii) that failure to cease the conduct will result in termination of the tenancy and that the tenant shall vacate the premises in five days;

(l) Any other substantial just cause that materially affects the health, safety, and welfare of other park residents. The landlord shall give the tenant written notice to comply immediately. The notice must describe the harm caused by the tenant, describe what the tenant must do to comply and to discontinue the harm, and state that failure to comply will result in termination of the tenancy and that the tenant shall vacate the premises within fifteen days; or

(m) Failure to pay rent by the due date provided for in the rental agreement three or more times in a twelve-month period, commencing with the date of the first violation, after service of a (~~five-day~~) fourteen-day notice to comply or vacate.

(2) Within five days of a notice of eviction as required by subsection (1)(a) of this section, the landlord and tenant shall submit any dispute to mediation. The parties may agree in writing to mediation by an independent third party or through industry mediation procedures. If the parties cannot agree, then mediation shall be through industry mediation procedures. A duty is imposed upon both parties to participate in the mediation process in good faith for a period of ten days for an eviction under subsection (1)(a) of this section. It is a defense to an eviction under subsection (1)(a) of this section that a landlord did not participate in the mediation process in good faith.

(3) Except for a tenant evicted under subsection (1)(c) or (f) of this section, a tenant evicted from a mobile home park under this section shall be allowed one hundred twenty days within which to sell the tenant's mobile home, manufactured home, or park model in place within the mobile home park: PROVIDED, That the tenant remains current in the payment of rent incurred after eviction, and pays any past due rent, reasonable attorneys' fees and court costs at the time the rental agreement is assigned. The provisions of RCW 59.20.073 regarding transfer of rental agreements apply.

(4) Chapters 59.12 and 59.18 RCW govern the eviction of recreational vehicles, as defined in RCW 59.20.030, from mobile home parks. This chapter governs the eviction of mobile homes, manufactured homes, park models, and recreational vehicles used as a primary residence from a mobile home park.

NEW SECTION. **Sec. 7.** A new section is added to chapter 59.20 RCW to read as follows:

Any landlord who has complied with the notice requirements under RCW 59.20.080(1)(e) may provide a short-term rental agreement for a recreational vehicle for any mobile home lot or space that is vacant at the time of or becomes vacant after the notice of closure or conversion is provided. The rental agreement term for such recreational vehicles must be for no longer than the date on which the mobile home park is officially closed. Any short-term rental agreement provided under this section is not subject to the provisions of this chapter. For purposes of this section, a "recreational vehicle" does not mean a park model.

Sec. 8. RCW 59.20.210 and 2013 c 23 s 117 are each amended to read as follows:

(1)(a) If at any time during the tenancy, the landlord fails to carry out any of the duties imposed by RCW 59.20.130, and notice of the defect is given to the landlord pursuant to RCW 59.20.200, the tenant may submit to the landlord or the landlord's designated agent by certified mail or in person at least two bids to perform the repairs necessary to correct the defective condition from licensed or registered persons, or if no licensing or registration requirement applies to the type of work to be performed, from responsible persons capable of performing such repairs. Such bids may be submitted to the landlord at the same time as notice is given pursuant to RCW 59.20.200.

(b) Upon receipt of any such bids, the landlord shall provide the tenant with a copy of the notice regarding the manufactured/mobile home dispute resolution program that the attorney general is required to produce pursuant to RCW 59.30.030(3)(a) and that landlords are required to post pursuant to RCW 59.30.030(3)(b)(i).

(2) If the landlord fails to commence repair of the defective condition within a reasonable time after receipt of notice from the tenant, the tenant may contract with the person submitting the lowest bid to make the repair, and upon the completion of the repair and an opportunity for inspection by the landlord or the landlord's designated agent, the tenant may deduct the cost of repair from the rent in an amount not to exceed the sum expressed in dollars representing one month's rental of the tenant's mobile home space in any calendar year. When, however, the landlord is required to begin remedying the defective condition within thirty days under RCW 59.20.200, the tenant cannot contract for repairs for at least fifteen days following receipt of bids by the landlord. The total costs of repairs deducted by the tenant in any calendar year under this subsection shall not exceed the sum expressed in dollars representing one month's rental of the tenant's mobile home space.

(3) Two or more tenants shall not collectively initiate remedies under this section. Remedial action under this section shall not be initiated for conditions in the design or construction existing in a mobile home park before June 7, 1984.

(4) The provisions of this section shall not:

(a) Create a relationship of employer and employee between landlord and tenant; or

(b) Create liability under the worker's compensation act; or

(c) Constitute the tenant as an agent of the landlord for the purposes of mechanics' and material suppliers' liens under chapter 60.04 RCW.

(5) Any repair work performed under this section shall comply with the requirements imposed by any applicable code, statute, ordinance, or rule. A landlord whose property is damaged because of repairs performed in a negligent manner may recover the actual damages in an action against the tenant.

(6) Nothing in this section shall prevent the tenant from agreeing with the landlord to undertake the repairs in return for cash payment or a reasonable reduction in rent, the agreement to be between the parties, and this agreement does not alter the landlord's obligations under this chapter.

NEW SECTION. Sec. 9. A new section is added to chapter 59.20 RCW to read as follows:

(1) A court may order an unlawful detainer action to be of limited dissemination for one or more persons if: (a) The court finds that the plaintiff's case was sufficiently without basis in fact or law; (b) the tenancy was reinstated by the court; or (c) other good cause exists for limiting dissemination of the unlawful detainer action in accordance with court rule GR 15.

(2) An order to limit dissemination of an unlawful detainer action must be in writing.

(3) When an order for limited dissemination of an unlawful detainer action has been entered with respect to a person, a tenant screening service provider must not: (a) Disclose the existence of that unlawful detainer action in a tenant screening report pertaining to the person for whom dissemination has been limited, or (b) use the unlawful detainer action as a factor in determining any score or recommendation to be included in a tenant screening report pertaining to the person for whom dissemination has been limited.

Sec. 10. RCW 59.21.030 and 2006 c 296 s 1 are each amended to read as follows:

(1) The closure notice required by RCW 59.20.080 before park closure or conversion of the park(~~(; whether twelve months or longer,))~~) shall be given to the director and all tenants in writing, and conspicuously posted at all park entrances.

(2) The closure notice required under RCW 59.20.080 must be in substantially the following form:

"CLOSURE NOTICE TO TENANTS

NOTICE IS HEREBY GIVEN on the day of of a conversion of this mobile home park or manufactured housing community to a use other than for mobile homes, manufactured homes, or park models, or of a conversion of the mobile home park or manufactured housing community to a mobile home park cooperative or a mobile home park subdivision. This change of use becomes effective on the day of, which is the date twelve months after the date this closure notice is given.

PARK OR COMMUNITY MANAGEMENT OR OWNERSHIP INFORMATION:

For information during the period preceding the effective change of use of this mobile home park or manufactured housing community on the day of, contact:

Name:

Address:

Telephone:

PURCHASER INFORMATION, if applicable:

Contact information for the purchaser of the mobile home park or manufactured housing community property consists of the following:

Name:

Address:

Telephone:

PARK PURCHASE BY TENANT ORGANIZATIONS, if applicable:

The owner of this mobile home park or manufactured housing community may be willing to entertain an offer of purchase by an organization or group consisting of park or community tenants or a not-for-profit agency designated by the tenants. Tenants should contact the park owner or park management with such an offer. Any such offer must be made and accepted prior to closure, and the timeline for closure remains unaffected by an offer. Acceptance of any offer is at the discretion of the owner and is not a first right of refusal.

RELOCATION ASSISTANCE RESOURCES:

For information about the availability of relocation assistance, contact the Office of Mobile/Manufactured Home Relocation Assistance within the Department of Commerce."

(3) The closure notice required by RCW 59.20.080 must also meet the following requirements:

(a) A copy of the closure notice must be provided with all (~~month to month~~) rental agreements signed after the original park closure notice date as required under RCW 59.20.060;

(b) Notice to the director must include: (i) A good faith estimate of the timetable for removal of the mobile homes; (ii) the reason for closure; and (iii) a list of the names and mailing addresses of the current registered park tenants. Notice required under this subsection must be sent to the director within ten business days of the date notice was given to all tenants as required by RCW 59.20.080; and

(c) Notice must be recorded in the office of the county auditor for the county where the mobile home park is located.

~~((2))~~ (4) The department must mail every tenant an application and information on relocation assistance within ten business days of receipt of the notice required in subsection (1) of this section.

NEW SECTION. Sec. 11. A new section is added to chapter 59.21 RCW to read as follows:

(1) The department shall produce and maintain on its web site translated versions of the notice under RCW 59.21.030 in the top ten languages spoken in Washington state and, at the discretion of the department, other languages. The notice must be made available upon request in printed form on one letter size paper, eight and one-half by eleven inches, and in an easily readable font size.

(2) The department shall also provide on its web site information on where tenants can access legal or advocacy resources, including information on any

immigrant and cultural organizations where tenants can receive assistance in their primary language.

NEW SECTION. Sec. 12. (1) The department of commerce shall convene a work group to make recommendations about mobile home park rental agreement terms, notices on the closure or conversion of manufactured/mobile home communities, and amendments, changes, or additions to mobile home park rules under chapter 59.20 RCW.

(2) The work group shall assess perspectives on manufactured/mobile home landlord-tenant laws and policies and facilitate discussions amongst relevant stakeholders representing both mobile home park owners and tenants to reach agreed upon recommendations.

(3) Specifically, the study must:

(a) Evaluate the impact of various rental agreement terms and provide recommendations on the best option for the duration of rental agreement terms;

(b) Evaluate the impact of various notice periods when manufactured/mobile home parks are scheduled to be closed or converted to another use and provide recommendations on the best option for a notice period for such park closures or conversions;

(c) Evaluate possible approaches to increasing the amount of manufactured housing communities in Washington, including siting and development of new manufactured housing communities;

(d) Evaluate methods to incentivize and build new manufactured housing community developments; and

(e) Evaluate the impact of various processes for amending or adding to mobile home park rules, including appropriate notice periods, and provide recommendations on the best process for amending or adding to park rules.

(4) The study must begin by August 1, 2019. The department of commerce must issue a final report, including the result of any facilitated agreed upon recommendations, to the appropriate committees of the legislature by June 30, 2020.

(5) This section expires January 1, 2021.

Passed by the House April 23, 2019.

Passed by the Senate April 17, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 343

[Second Substitute House Bill 1603]

ECONOMIC ASSISTANCE PROGRAMS--TEMPORARY ASSISTANCE FOR NEEDY FAMILIES--VARIOUS PROVISIONS

AN ACT Relating to revising economic assistance programs by updating standards of need, revising outcome measures and data collected, and reducing barriers to participation; amending RCW 74.08.025, 74.08A.010, 74.08A.410, 74.08A.411, and 74.08A.250; and creating new sections.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 74.08.025 and 2011 1st sp.s. c 42 s 7 are each amended to read as follows:

(1) Public assistance may be awarded to any applicant:

(a) Who is in need and otherwise meets the eligibility requirements of department assistance programs; and

(b) Who has not made a voluntary assignment of property or cash for the purpose of qualifying for an assistance grant; and

(c) Who is not an inmate of a public institution except as a patient in a medical institution or except as an inmate in a public institution who could qualify for federal aid assistance: PROVIDED, That the assistance paid by the department to recipients in nursing homes, or receiving nursing home care, may cover the cost of clothing and incidentals and general maintenance exclusive of medical care and health services. The department may pay a grant to cover the cost of clothing and personal incidentals in public or private medical institutions and institutions for tuberculosis. The department shall allow recipients in nursing homes to retain, in addition to the grant to cover the cost of clothing and incidentals, wages received for work as a part of a training or rehabilitative program designed to prepare the recipient for less restrictive placement to the extent permitted under Title XIX of the federal social security act.

~~(2) ((Any person otherwise qualified for temporary assistance for needy families under this title who has resided in the state of Washington for fewer than twelve consecutive months immediately preceding application for assistance is limited to the benefit level in the state in which the person resided immediately before Washington, using the eligibility rules and other definitions established under this chapter, that was obtainable on the date of application in Washington state, if the benefit level of the prior state is lower than the level provided to similarly situated applicants in Washington state. The benefit level under this subsection shall be in effect for the first twelve months a recipient is on temporary assistance for needy families in Washington state.~~

~~(3))~~ Any person otherwise qualified for temporary assistance for needy families who is assessed through the state alcohol and substance abuse program as drug or alcohol-dependent and requiring treatment to become employable shall be required by the department to participate in a drug or alcohol treatment program as a condition of benefit receipt.

~~((4) The department may implement a permanent disqualification for adults who have been terminated due to WorkFirst noncompliance sanction three or more times since March 1, 2007. A household that includes an adult who has been permanently disqualified from receiving temporary assistance for needy families shall be ineligible for further temporary assistance for needy families assistance.~~

~~(5))~~ (3) Pursuant to 21 U.S.C. 862a(d)(1), the department shall exempt individuals from the eligibility restrictions of 21 U.S.C. 862a(a)(1) and (2) to ensure eligibility for temporary assistance for needy families benefits and federal food assistance.

Sec. 2. RCW 74.08A.010 and 2011 1st sp.s. c 42 s 6 are each amended to read as follows:

(1) A family that includes an adult who has received temporary assistance for needy families for sixty months after July 27, 1997, shall be ineligible for further temporary assistance for needy families assistance.

(2) For the purposes of applying the rules of this section, the department shall count any month in which an adult family member received a temporary assistance for needy families cash assistance grant unless the assistance was

provided when the adult family member was a minor child and not the head of the household or married to the head of the household.

(3) The department shall adopt regulations to apply the sixty-month time limit to households in which a parent is in the home and ineligible for temporary assistance for needy families. Any regulations shall be consistent with federal funding requirements.

(4) The department shall refer recipients who require specialized assistance to appropriate department programs, crime victims' programs through the department of commerce, or the crime victims' compensation program of the department of labor and industries.

(5)(a) The department (~~may~~) shall add to adopted rules related to temporary assistance for needy families time limit extensions, the following criteria by which the department shall exempt a recipient and the recipient's family from the application of subsection (1) of this section:

(i) By reason of hardship (~~(or)~~), including if the recipient is a homeless person as described in RCW 43.185C.010; or

(ii) If the family includes an individual who meets the family violence options of section 402(A)(7) of Title IVA of the federal social security act as amended by P.L. 104-193.

(b) Policies related to circumstances under which a recipient will be exempted from the application of subsection (1) or (3) of this section shall treat adults receiving benefits on their own behalf, and parents receiving benefits on behalf of their child similarly, unless required otherwise under federal law.

(6) The department shall not exempt a recipient and his or her family from the application of subsection (1) or (3) of this section until after the recipient has received fifty-two months of assistance under this chapter.

(7) (~~Beginning on October 31, 2005,~~) The department shall provide transitional food (~~(stamp)~~) assistance for a period of five months to a household that ceases to receive temporary assistance for needy families assistance and is not in sanction status. If necessary, the department shall extend the household's basic food (~~(stamp)~~) certification until the end of the transition period.

Sec. 3. RCW 74.08A.410 and 1997 c 58 s 702 are each amended to read as follows:

(1) The WorkFirst program shall develop outcome measures for use in evaluating the WorkFirst program authorized in chapter 58, Laws of 1997, which may include but are not limited to:

(a) Caseload reduction, including data for participants who exit: (i) Due to increased income; (ii) to employment; (iii) at the participant's request; or (iv) for other reasons;

(b) Recidivism to caseload after two years;

(c) Employment;

(d) Job retention;

(~~(d)~~) (e) Earnings;

(~~(e)~~) (f) Wage progression;

(g) Reduction in average grant through increased recipient earnings; (~~(and~~

(~~)~~) (h) Placement of recipients into private sector, unsubsidized jobs; and

(i) Outcomes for sanctioned and time-limited families.

(2) The department shall require that contractors for WorkFirst services collect outcome measure information and report outcome measures to the

department regularly. The department shall develop benchmarks that compare outcome measure information from all contractors to provide a clear indication of the most effective contractors. Benchmark information shall be published quarterly and provided to the legislature, the governor, the legislative-executive WorkFirst poverty reduction oversight task force, and all contractors for WorkFirst services.

Sec. 4. RCW 74.08A.411 and 2009 c 85 s 3 are each amended to read as follows:

The department shall continue to implement WorkFirst program improvements that are designed to achieve progress against outcome measures specified in RCW 74.08A.410. Outcome data regarding job retention and wage progression shall be reported quarterly to the appropriate fiscal and policy committees of the legislature and to the legislative-executive WorkFirst poverty reduction oversight task force for families who leave assistance for any reason, measured after twelve months, twenty-four months, and thirty-six months. The department shall also report the percentage of families who have returned to temporary assistance for needy families after twelve months, twenty-four months, and thirty-six months. The department shall make every effort to maximize vocational training, as allowed by federal and state requirements.

Sec. 5. RCW 74.08A.250 and 2017 c 156 s 1 are each amended to read as follows:

Unless the context clearly requires otherwise, as used in this chapter, "work activity" means:

- (1) Unsubsidized paid employment in the private or public sector;
- (2) Subsidized paid employment in the private or public sector, including employment through the state or federal work-study program for a period not to exceed twenty-four months;
- (3) Work experience, including:
 - (a) An internship or practicum, that is paid or unpaid and is required to complete a course of vocational training or to obtain a license or certificate in a high-demand occupation, as determined by the employment security department. No internship or practicum shall exceed twelve months; or
 - (b) Work associated with the refurbishing of publicly assisted housing, if sufficient paid employment is not available;
- (4) On-the-job training;
- (5) Job search and job readiness assistance;
- (6) Community service programs, including a recipient's voluntary service at a child care or preschool facility licensed under chapter ~~((43-215))~~ 43.216 RCW or an elementary school in which his or her child is enrolled;
- (7) Vocational educational training, not to exceed twelve months with respect to any individual except that this twelve-month limit may be increased to twenty-four months subject to funding appropriated specifically for this purpose;
- (8) Job skills training directly related to employment;
- (9) Education directly related to employment, in the case of a recipient who has not received a high school diploma or a high school equivalency certificate as provided in RCW 28B.50.536;
- (10) Satisfactory attendance at secondary school or in a course of study leading to a high school equivalency certificate as provided in RCW

28B.50.536, in the case of a recipient who has not completed secondary school or received such a certificate;

(11) The provision of child care services to an individual who is participating in a community service program;

(12) Internships, that shall be paid or unpaid work experience performed by an intern in a business, industry, or government or nongovernmental agency setting;

(13) Practicums, which include any educational program in which a student is working under the close supervision of a professional in an agency, clinic, or other professional practice setting for purposes of advancing their skills and knowledge;

(14) Services required by the recipient under RCW 74.08.025(~~((2))~~) (2) and 74.08A.010(4) to become employable;

(15) Financial literacy activities designed to be effective in assisting a recipient in becoming self-sufficient and financially stable; and

(16) Parent education services or programs that support development of appropriate parenting skills, life skills, and employment-related competencies.

NEW SECTION. Sec. 6. This act applies prospectively only and not retroactively. Prospective application of this act allows families who have been previously permanently disqualified under prior policies to receive benefits prospectively only, if otherwise eligible.

NEW SECTION. Sec. 7. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2019, in the omnibus appropriations act, this act is null and void.

Passed by the House April 18, 2019.

Passed by the Senate April 15, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 344

[Substitute House Bill 1652]

ARCHITECTURAL PAINT WASTE--STEWARDSHIP PROGRAM

AN ACT Relating to paint stewardship; amending RCW 43.21B.110; reenacting and amending RCW 42.56.270; adding a new section to chapter 82.04 RCW; adding a new chapter to Title 70 RCW; and prescribing penalties.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that:

(1) Leftover architectural paints are a waste management issue and present environmental risks and health and safety risks, especially to workers in the solid waste industry. During waste collection and processing, wet paint can create spills and splashes and oil paint containers may rupture, releasing fumes hazardous to workers and the remaining liquids may contribute to leachate problems in landfills. Some local governments are able to devote resources to provide collection sites or events for latex paint in order to provide their residents with at least some disposal options and to keep latex paint out of the solid waste stream. But residents and small businesses need additional and more convenient options for disposal of architectural paint. Drying latex for disposal

is difficult for many residents and is wasteful of latex paint that can otherwise be reused or recycled. Local government special and moderate-risk waste collection programs are heavily impacted by the cost of managing unwanted architectural paints and these costs decrease the available funds to address other hazardous and hard-to-handle materials.

(2) Nationally, an estimated average of ten percent of architectural paint purchased becomes leftover paint. Current programs only collect a fraction of the potential leftover paint for proper reuse, recycling, or disposal. There is not a comprehensive statewide, end-of-life management plan for architectural paint, resulting in significant missed opportunities to reduce, reuse, and recycle paint.

(3)(a) It is in the best interest of Washington for paint manufacturers to assume responsibility for the development and implementation of a cost-effective paint stewardship program that:

(i) Develops and implements strategies to reduce the generation of leftover paint;

(ii) Promotes the reuse of leftover paint;

(iii) Collects, transports, and processes leftover paint for end-of-life management, including reuse, recycling, energy recovery, and disposal; and

(iv) Provides for transparency under chapter 42.56 RCW, the public records act.

(b) A paint stewardship program will follow the paint waste management hierarchy for managing and reducing leftover paint in the order as follows:

(i) Reduce consumer generation of leftover paint;

(ii) Reuse;

(iii) Recycle; and

(iv) Provide for energy recovery and disposal.

(c) The establishment of a comprehensive leftover paint management program that requires paint manufacturers to assume responsibility for the collection, recycling, reuse, transportation, and disposal of leftover paint, and that allows paint retailers to voluntarily participate in the collection of leftover paint, will provide more opportunities for consumers to properly manage their leftover paint, provide fiscal relief for local government in managing leftover paint, keep paint out of the waste stream, and conserve natural resources.

(4) The legislature further finds that Washington's existing waste collection, recycling, and disposal system leads the nation in innovation and environmentally sound practices. This system has achieved some of the highest overall recycling rates in the nation at fifty-one percent in 2012. The legislature further finds that leftover paint may be a toxic and hard-to-handle waste product that is appropriate for a product stewardship program to increase the safe, convenient, and effective reuse, recycling, and disposal of leftover paint. Product stewardship programs for toxic and hard-to-handle materials, including an architectural paint stewardship program, should integrate with and complement the existing waste collection, recycling, and disposal system.

(5) This chapter creates an architectural paint stewardship program to be enforced by the department.

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

(1)(a) "Architectural paint" or "paint" means interior and exterior architectural coatings, sold in a container of five gallons or less.

(b) "Architectural paint" or "paint" does not mean industrial coatings, original equipment coatings, or specialty coatings.

(2) "Architectural paint stewardship assessment" or "assessment" means the amount determined by a stewardship organization that must be added to the purchase price of architectural paint sold in this state to cover a stewardship organization's costs of administration, education and outreach, collecting, transporting, and processing of the leftover architectural paint managed through a statewide architectural paint stewardship program.

(3) "Conditionally exempt small quantity generator" means a dangerous waste generator whose dangerous wastes are not subject to regulation under chapter 70.105 RCW, hazardous waste management, solely because the waste is generated or accumulated in quantities below the threshold for regulation and meets the conditions prescribed in WAC 173-303-070(8)(b), as it existed on the effective date of this section.

(4) "Conditionally exempt small quantity generator waste" means dangerous waste generated by a conditionally exempt small quantity generator.

(5) "Consumer" includes any household, nonprofit, small business, or other entity whose leftover paint is eligible under applicable laws and regulations.

(6) "Covered entity" means any: (a) Household; (b) conditionally exempt small quantity generator of leftover oil-based and latex architectural paint; or (c) generator of dangerous waste as defined in RCW 70.105.010 that brings leftover architectural latex paint to a paint program collection site operating under an approved Washington state paint stewardship plan.

(7) "Curbside service" means a waste collection, recycling, and disposal service providing pickup of leftover architectural paint from residential sources, such as single-family households and multifamily housing, or other covered entities in quantities generated from households or conditionally exempt small quantity generators, provided by a solid waste collection company regulated under chapter 81.77 RCW or under a contract for solid waste services with any city or town.

(8) "Department" means the department of ecology.

(9) "Distributor" means a person that has a contractual relationship with one or more manufacturers to market and sell architectural paint to retailers in Washington.

(10) "End-of-life" or "end-of-life management" means activities including, but not limited to, collection, transportation, reuse, recycling, energy recovery, and disposal for leftover architectural paint.

(11) "Energy recovery" means the recovery of energy in a useable form from mass burning or refuse-derived fuel incineration, pyrolysis, or any other means of using the heat of combustion of solid waste that involves high temperature (above twelve hundred degrees Fahrenheit) processing.

(12) "Environmentally sound management practices" means practices that comply with all applicable laws and rules to protect workers, public health, and the environment, provide for adequate recordkeeping, tracking and documenting the fate of materials within the state and beyond, and include environmental liability coverage for the stewardship organization.

(13) "Final disposition" means the point beyond which no further processing takes place and the paint has been transformed for direct use as a

feedstock in producing new products or is disposed of, including for energy recovery, in permitted facilities.

(14) "Household hazardous waste" means waste that exhibits any of the properties of dangerous waste that is exempt from regulation under chapter 70.105 RCW solely because the waste is generated by households. Household hazardous waste may also include other solid waste identified in the local hazardous waste management plan prepared pursuant to chapter 70.105 RCW.

(15) "Leftover paint" or "leftover architectural paint" means architectural paint not used and no longer wanted by a consumer.

(16) "Moderate risk waste" means solid waste that is limited to conditionally exempt small quantity generator waste and household hazardous waste as defined in this chapter.

(17) "Paint retailer" means any person that offers architectural paint for sale at retail in Washington.

(18) "Person" includes any individual, business, manufacturer, transporter, collector, processor, retailer, charity, nonprofit organization, or government agency.

(19) "Producer" means a manufacturer of architectural paint that is sold, offered for sale, or distributed in Washington under the producer's own name or other brand name.

(20) "Recycling" means transforming or remanufacturing waste materials into usable or marketable materials for use other than landfill disposal, energy recovery, or incineration. Recycling does not include collection, compacting, repacking, and sorting for the purpose of transport.

(21) "Reuse" means any operation by which an architectural paint product changes ownership and is used for the same purpose for which it was originally purchased.

(22) "Sell" or "sale" means any transfer of title for consideration, including remote sales conducted through sales outlets, catalogues, or the internet or any other similar electronic means.

(23) "Stewardship organization" means a nonprofit organization created by a producer or group of producers to implement a paint stewardship program required under this chapter.

(24) "Urban cluster" means areas of population density of two thousand five hundred to fifty thousand, as defined by the United States census bureau.

(25) "Urbanized area" means areas of high population density with populations of fifty thousand or greater, as defined by the United States census bureau.

NEW SECTION. Sec. 3. (1) All producers of architectural paint selling in or into the state of Washington shall participate in an approved Washington state paint stewardship plan for covered entities through membership in and appropriate funding of a stewardship organization.

(2) Producers not participating in a stewardship plan may not sell architectural paint in or into Washington state.

(3) Paint retailers are prohibited from selling architectural paint manufactured or distributed by a producer not in compliance with this chapter.

NEW SECTION. Sec. 4. (1) A stewardship organization representing producers shall submit a plan for the implementation of a paint stewardship

program to the department for approval by May 30, 2020, or within one year of the effective date of this section, whichever comes later. The plan must include the following components:

(a) A description of how the program proposed under the plan will collect, transport, recycle, and process leftover paint from covered entities for end-of-life management, including reuse, recycling, energy recovery, and disposal, using environmentally sound management practices;

(b) Stewardship organization contact information and a list of participating brands and producers under the program;

(c) A demonstration of sufficient funding for the architectural paint stewardship program as described in the plan. The plan must include a funding mechanism whereby each architectural paint producer remits to the stewardship organization payment of an architectural paint stewardship assessment for each container of architectural paint the producer sells in this state, unless the distributor or paint retailer has negotiated a voluntary agreement with the producer and stewardship organization to remit the architectural paint stewardship assessment directly to the stewardship organization on behalf of the producer for the producer's architectural paint sold by the distributor or paint retailer in the state. The plan must include a proposed budget and a description of the process used to determine the architectural paint stewardship assessment. The architectural paint stewardship assessment must be added to the cost of all architectural paint sold to Washington paint retailers and distributors, unless the distributor or paint retailer has negotiated an agreement voluntarily with the producer and stewardship organization to remit the assessment directly to the stewardship organization on behalf of the producer for the producer's architectural paint sold by the distributor or paint retailer in the state. Each Washington paint retailer or distributor must add the assessment to the purchase price of all architectural paint sold in this state. Manufacturers may not require retailers to opt to participate in a voluntary remittance agreement;

(d) The establishment in the plan of a uniform architectural paint stewardship assessment for all architectural paint sold in this state, in order to ensure that the funding mechanism is equitable and sustainable. For purposes of establishing the assessment, the plan must categorize the sizes of paint containers sold at retail and determine a uniform assessment amount that applies to each category of container size. The architectural paint stewardship assessment must be sufficient to recover the costs of the architectural paint stewardship program. With the exception of the annual administration costs paid to the department under section 6(4) of this act, the department may not control or have spending authority related to the funds received by the stewardship organization from the assessment. Funds received by the stewardship organization are not state funds and are not eligible to be transferred for other state purposes in an appropriations act. The plan must require that any surplus funds generated from the funding mechanism that exceed a reserve greater than the most recent year's operating expenditures be put back into the program to either increase and improve program services or reduce the cost of the program and the architectural paint stewardship assessment, or both;

(e) A review by an independent financial auditor of the proposed architectural paint stewardship assessment to ensure that any added cost to paint sold in the state as a result of the paint stewardship program does not exceed the

costs of the program. In a report to the department, the independent auditor must verify that the amount added to each unit of paint will cover the costs of the paint stewardship program;

(f) Assignment to the department of responsibility for the approval of the architectural paint stewardship assessment based on the information provided in the plan and the auditor's report;

(g) A description of the educational outreach strategy to reduce the generation of leftover paint, to promote the reuse and recycling of leftover paint, for the overall collection of leftover paint, and for the proper end-of-life management of leftover paint. The strategies may be revised by a stewardship organization based on the information collected annually;

(h) A description of the reasonably convenient and available statewide collection system, including:

(i) A description of how the program will provide for reasonably convenient and available statewide collection of leftover paint from covered entities in urban and rural areas of the state, including island communities;

(ii) A description of how the program will incorporate existing public and private waste collection services and facilities for activities, which may include, but is not limited to:

(A) The reuse or processing of leftover architectural paint at the permanent collection site; and

(B) The collection, transportation, and recycling or proper disposal of leftover architectural paint;

(i) A description of how leftover paint will be managed using environmentally sound management practices, including reasonably following the paint waste management hierarchy of: Source reduction; reuse; recycling; energy recovery; and disposal;

(j) A description of education and outreach efforts to promote the paint stewardship program. The education and outreach efforts must include strategies for reaching all sectors of the population and describe how the paint stewardship program will evaluate the effectiveness of its education and outreach;

(k) A description of collection site procedural manuals for architectural paint products, including training procedures and electronic copies of materials that will be provided to collection sites; and

(l) A list of transporters that will be used to manage leftover paint collected by the stewardship organization and a list of potential processors to be used for final disposition.

(2)(a) To ensure adequate collection coverage, the plan must use geographic information modeling and the information required under subsection (1)(h) of this section to determine the number and distribution of collection sites based on the following criteria: At least ninety percent of Washington residents must have a permanent collection site within a fifteen-mile radius; and unless otherwise approved by the department, one additional permanent site must be established for every thirty thousand residents of an urbanized area and for every urban cluster of at least thirty thousand residents distributed to provide convenient and reasonably equitable access for residents within each.

(b) For the portion of the population that does not have a permanent collection location within a fifteen-mile radius, the plan must provide residents a reasonable opportunity to drop off leftover paint at collection events. The

stewardship organization, in consultation with the department and the local community, will determine a reasonable frequency and location of these collection events, to be held in underserved areas. Special consideration is to be made for providing opportunities to island and geographically isolated populations.

(3)(a) Nothing in subsection (2) of this section prohibits a program plan from identifying an available curbside service for a specific area or population that provides convenient and reasonably equitable access for Washington residents that is at least equivalent to the level of convenience and access that would be provided by a collection site.

(b) A fee may not be charged at the time the unwanted paint is delivered or collected for management. However, this subsection (3)(b) does not prohibit collectors providing curbside services from charging customers a fee, as provided by city contract or by the Washington utilities and transportation commission under the authority of chapter 81.77 RCW, for the additional collection cost of providing this service.

(4) The program plan must utilize the existing public and private waste collection services and facilities where cost-effective and mutually agreeable.

(5) The program must utilize existing paint retail stores as collection sites where cost-effective and mutually agreeable.

(6) The plan must provide the collection site name and location of each site statewide in Washington accepting architectural paint under the program.

(7) A stewardship organization shall promote a paint stewardship program and provide consumers, covered entities, and paint retailers with educational and informational materials describing collection opportunities for leftover paint statewide, the architectural paint stewardship assessment used to finance the program, and promotion of waste prevention, reuse, and recycling. These materials may include, but are not limited to, the following:

(a) Signage that is prominently displayed and easily visible to the consumer;

(b) Written materials and templates of materials for reproduction by paint retailers to be provided to the consumer at the time of purchase or delivery, or both;

(c) Advertising or other promotional materials, or both, that include references to the architectural paint stewardship program; and

(d) An explanation that the architectural paint stewardship assessment has been added to the purchase price of architectural paint to fund the paint stewardship program in the state. The architectural paint stewardship assessment may not be described as a department recycling fee at the point of retail.

(8) A stewardship organization must submit a new plan or plan amendment to the department for approval when there is a change to the amount of the assessment, if required by the department, or every five years, if the department deems it necessary.

NEW SECTION. Sec. 5. (1) Each stewardship organization shall submit a paint stewardship program plan in accordance with section 4 of this act.

(2) Each stewardship organization shall develop and distribute a collection site procedural manual to collection sites to help ensure proper management of architectural paints at collection locations.

(3) A stewardship organization shall implement the paint stewardship program plan by November 30, 2020, or within six months after approval of a paint stewardship program plan under section 4 of this act, whichever is later.

(4) A stewardship organization shall submit an annual report by October 15, 2020, or a later date agreed to by the department, structured to be used as a basis for annual plan review by the department. The report must be based on the requirements outlined in section 8 of this act.

(5) A stewardship organization shall work with producers, distributors, paint retailers, and local governments to provide consumers with educational and informational materials describing collection opportunities for leftover paint statewide and promotion of waste prevention, reuse, and recycling of leftover paint.

(6) A stewardship organization shall pay an annual administrative fee, described in section 6 of this act, in an amount sufficient to cover only the department's cost of administering and enforcing a paint stewardship program established under this chapter.

NEW SECTION. Sec. 6. (1) The department shall review the plan within one hundred twenty days of receipt, and make a determination as to whether or not to approve the plan. The department shall provide a letter of approval for the plan if it provides for the establishment of a paint stewardship program that meets the requirements of sections 4 and 5 of this act. If a plan is rejected, the department shall provide the reasons for rejecting the plan to the stewardship organization. The stewardship organization must submit a new plan within sixty days after receipt of the letter of disapproval.

(2) When a plan or an amendment to an approved plan is submitted under this section, the department shall make the proposed plan or amendment available for public review and comment for at least thirty days.

(3) The department shall provide oversight of a stewardship organization in the determination and implementation of the architectural paint stewardship assessment specified in section 4(1) of this act.

(4) The department shall identify the costs it incurs under this chapter. The department shall set the fee at an amount that, when paid by every stewardship organization or producer that submits a plan, is adequate to reimburse the department's full costs of administering and enforcing this chapter. The total amount of annual fees collected under this subsection must not exceed the amount necessary to reimburse costs incurred by the department to enforce and administer this chapter.

(5) A stewardship organization or producer subject to this chapter must pay the department's administrative fee under this subsection on or before June 30, 2020, and annually thereafter. The annual administrative fee may not exceed five percent of the aggregate assessment added to the cost of all architectural paint sold by producers in the state for the preceding calendar year.

(6) The department shall enforce this chapter.

(a) The department may administratively impose a civil penalty on any person who violates this chapter in an amount of up to one thousand dollars per violation per day.

(b) The department may administratively impose a civil penalty of up to ten thousand dollars per violation per day on any person who intentionally, knowingly, or negligently violates this chapter.

(c) Any person who incurs a penalty under this section may appeal the penalty to the pollution control hearings board established by chapter 43.21B RCW.

(7) Upon the date the first plan is approved, the department shall post on its web site a list of producers and their brands for which the department has approved a plan pursuant to section 4 of this act. The department shall update the list of producers and brands participating under an approved program plan on a monthly basis based on information provided to the department from a stewardship organization.

(8) Upon a demonstration to the satisfaction of the department that a previously unlisted producer is in compliance with this chapter, within fourteen days the department must add the name of the producer to its web site.

(9) The department shall review each annual report required pursuant to section 8 of this act within ninety days of its submission to ensure compliance with section 8(1) of this act.

(10) The department may adopt rules as necessary for the purpose of implementing, administering, and enforcing this chapter.

NEW SECTION. Sec. 7. (1) A producer or paint retailer may not sell or offer for sale to any person in the state architectural paint unless the producer or brand of architectural paint is participating in an approved stewardship plan under this chapter. A retailer complies with the requirements of this section if, on the date the architectural paint was ordered from the producer or its agent, the producer of the paint was listed on the department's web site as a producer participating in an approved paint stewardship program plan. However, a retailer may sell any paint purchased prior to the effective date of this section.

(2) A distributor or a paint retailer that distributes or sells architectural paint shall monitor the department's web site to determine if the sale of a producer's architectural paint is in compliance with this chapter.

(3) At the time of sale to a consumer, a producer, a stewardship organization, or a paint retailer selling or offering architectural paint for sale in Washington shall provide the consumer with information regarding available end-of-life management options for leftover architectural paint collected through a paint stewardship program.

(4) Neither a paint retailer, nor any other retailer, is required to serve as a leftover paint collection facility.

(5) No fee may be charged at the time of delivery of leftover paint to a collection site.

NEW SECTION. Sec. 8. (1) By October 15, 2020, and annually thereafter, a stewardship organization shall submit to the department a report describing the paint stewardship program that the stewardship organization implemented during the previous fiscal year. The report must include all of the following:

(a) A description of the methods the stewardship organization used to reduce, reuse, collect, transport, recycle, and process leftover paint statewide in Washington;

(b) The volume of latex and oil-based architectural paint collected by the stewardship organization in the preceding fiscal year in Washington, including any increase in total volume of paint collected each year, and the cost of the paint stewardship program per gallon of paint collected;

(c) The volume of latex and oil-based architectural paint collected by method of disposition, including reuse, recycling, energy recovery, and disposal;

(d) An estimate of the total weight of all paint containers recycled by the program;

(e) A list of all processors through final disposition that are used to manage leftover paint collected by the stewardship organization in the preceding year;

(f) A list of all the producers participating in the plan;

(g) The total volume of architectural paint sold in Washington during the preceding year based on the architectural paint stewardship assessment collected by the stewardship organization;

(h) An independent financial audit of the paint stewardship program implemented by the stewardship organization, including a breakdown of the program's expenses, such as collection, recycling, education, and overhead;

(i) The total cost of implementing the paint stewardship program broken out by administrative, collection, transportation and disposition, and communications costs;

(j) An evaluation of the effectiveness of the paint stewardship program from year to year, and anticipated steps, if needed, to improve performance throughout the state; and

(k) A summary of outreach and education activities undertaken and samples of the educational materials that the stewardship organization provided to consumers of architectural paint during the first year of the program and any changes to those materials in subsequent years.

(2) The department must make all reports submitted under this section available to the general public through the internet. Consistent with section 13 of this act, valuable commercial information submitted to the department under this chapter is exempt from public disclosure under RCW 42.56.270. However, the department may use and disclose such information in summary or aggregated form as long as the disclosure does not directly or indirectly identify financial, production, or sales data of an individual producer or stewardship organization. The department is not required to notify individual producers prior to making available to the general public the reports submitted under this section or aggregated or summarized information from reports submitted under this section.

NEW SECTION. Sec. 9. Producers or stewardship organizations acting on behalf of producers that prepare, submit, and implement a paint stewardship program plan pursuant to section 4 of this act and thereby are subject to regulation by the department are granted immunity from state laws relating to antitrust, restraint of trade, unfair trade practices, and other regulation of trade and commerce, for the limited purpose of planning, reporting, and operating a paint stewardship program and proposing and establishing the architectural paint stewardship assessment required in section 4(1) (c) and (d) of this act.

NEW SECTION. Sec. 10. The paint product stewardship account is created in the state treasury. All receipts received by the department from stewardship organizations must be deposited in the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used by the department only for administering and enforcing paint stewardship programs.

NEW SECTION. Sec. 11. This chapter is void if a federal law, or a combination of federal laws, takes effect that establishes a national program for the collection and recycling of architectural paint that substantially meets the intent of this chapter, including the creation of a funding mechanism for collection, transportation, recycling, and proper disposal of all architectural paint in the United States.

NEW SECTION. Sec. 12. Nothing in this chapter changes or limits the authority of the Washington utilities and transportation commission to regulate collection of solid waste, including curbside collection of residential recyclable materials, nor does this chapter change or limit the authority of a city or town to provide the service itself or by contract under RCW 81.77.020.

NEW SECTION. Sec. 13. (1) Except as provided in subsection (3) of this section, records, subject to chapter 42.56 RCW, filed with the department from any person that contain valuable commercial information, including trade secrets, confidential marketing, cost, or financial information, or customer-specific usage information, are not subject to inspection or copying under chapter 42.56 RCW. When providing information to the department, a person shall designate which records or portions of records contain valuable commercial information.

(2) Upon receipt of a request to disclose valuable commercial information submitted under this chapter, the department must provide notice to the person or persons whose information is subject to possible inspection or copying under chapter 42.56 RCW.

(3) Upon the notice provided under subsection (2) of this section of the possible inspection or copying of valuable commercial information pursuant to chapter 42.56 RCW, a person may petition the superior court for an order protecting the records as confidential. The superior court must determine that the records are confidential and are not subject to inspection or copying if disclosure would result in private loss, including an unfair competitive disadvantage. If a person does not obtain an order protecting submitted records as confidential within ten days of receiving a notice from the department under subsection (2) of this section, the department may make the records available for public inspection and copying pursuant to chapter 42.56 RCW.

Sec. 14. RCW 42.56.270 and 2018 c 201 s 8008, 2018 c 196 s 21, and 2018 c 4 s 9 are each reenacted and amended to read as follows:

The following financial, commercial, and proprietary information is exempt from disclosure under this chapter:

(1) Valuable formulae, designs, drawings, computer source code or object code, and research data obtained by any agency within five years of the request for disclosure when disclosure would produce private gain and public loss;

(2) Financial information supplied by or on behalf of a person, firm, or corporation for the purpose of qualifying to submit a bid or proposal for (a) a ferry system construction or repair contract as required by RCW 47.60.680 through 47.60.750 or (b) highway construction or improvement as required by RCW 47.28.070;

(3) Financial and commercial information and records supplied by private persons pertaining to export services provided under chapters 43.163 and 53.31 RCW, and by persons pertaining to export projects under RCW 43.23.035;

(4) Financial and commercial information and records supplied by businesses or individuals during application for loans or program services provided by chapters 43.325, 43.163, 43.160, 43.330, and 43.168 RCW, or during application for economic development loans or program services provided by any local agency;

(5) Financial information, business plans, examination reports, and any information produced or obtained in evaluating or examining a business and industrial development corporation organized or seeking certification under chapter 31.24 RCW;

(6) Financial and commercial information supplied to the state investment board by any person when the information relates to the investment of public trust or retirement funds and when disclosure would result in loss to such funds or in private loss to the providers of this information;

(7) Financial and valuable trade information under RCW 51.36.120;

(8) Financial, commercial, operations, and technical and research information and data submitted to or obtained by the clean Washington center in applications for, or delivery of, program services under chapter 70.95H RCW;

(9) Financial and commercial information requested by the public stadium authority from any person or organization that leases or uses the stadium and exhibition center as defined in RCW 36.102.010;

(10)(a) Financial information, including but not limited to account numbers and values, and other identification numbers supplied by or on behalf of a person, firm, corporation, limited liability company, partnership, or other entity related to an application for a horse racing license submitted pursuant to RCW 67.16.260(1)(b), marijuana producer, processor, or retailer license, liquor license, gambling license, or lottery retail license;

(b) Internal control documents, independent auditors' reports and financial statements, and supporting documents: (i) Of house-banked social card game licensees required by the gambling commission pursuant to rules adopted under chapter 9.46 RCW; or (ii) submitted by tribes with an approved tribal/state compact for class III gaming;

(11) Proprietary data, trade secrets, or other information that relates to: (a) A vendor's unique methods of conducting business; (b) data unique to the product or services of the vendor; or (c) determining prices or rates to be charged for services, submitted by any vendor to the department of social and health services or the health care authority for purposes of the development, acquisition, or implementation of state purchased health care as defined in RCW 41.05.011;

(12)(a) When supplied to and in the records of the department of commerce:

(i) Financial and proprietary information collected from any person and provided to the department of commerce pursuant to RCW 43.330.050(8); and

(ii) Financial or proprietary information collected from any person and provided to the department of commerce or the office of the governor in connection with the siting, recruitment, expansion, retention, or relocation of that person's business and until a siting decision is made, identifying information of any person supplying information under this subsection and the locations being considered for siting, relocation, or expansion of a business;

(b) When developed by the department of commerce based on information as described in (a)(i) of this subsection, any work product is not exempt from disclosure;

(c) For the purposes of this subsection, "siting decision" means the decision to acquire or not to acquire a site;

(d) If there is no written contact for a period of sixty days to the department of commerce from a person connected with siting, recruitment, expansion, retention, or relocation of that person's business, information described in (a)(ii) of this subsection will be available to the public under this chapter;

(13) Financial and proprietary information submitted to or obtained by the department of ecology or the authority created under chapter 70.95N RCW to implement chapter 70.95N RCW;

(14) Financial, commercial, operations, and technical and research information and data submitted to or obtained by the life sciences discovery fund authority in applications for, or delivery of, grants under chapter 43.350 RCW, to the extent that such information, if revealed, would reasonably be expected to result in private loss to the providers of this information;

(15) Financial and commercial information provided as evidence to the department of licensing as required by RCW 19.112.110 or 19.112.120, except information disclosed in aggregate form that does not permit the identification of information related to individual fuel licensees;

(16) Any production records, mineral assessments, and trade secrets submitted by a permit holder, mine operator, or landowner to the department of natural resources under RCW 78.44.085;

(17)(a) Farm plans developed by conservation districts, unless permission to release the farm plan is granted by the landowner or operator who requested the plan, or the farm plan is used for the application or issuance of a permit;

(b) Farm plans developed under chapter 90.48 RCW and not under the federal clean water act, 33 U.S.C. Sec. 1251 et seq., are subject to RCW 42.56.610 and 90.64.190;

(18) Financial, commercial, operations, and technical and research information and data submitted to or obtained by a health sciences and services authority in applications for, or delivery of, grants under RCW 35.104.010 through 35.104.060, to the extent that such information, if revealed, would reasonably be expected to result in private loss to providers of this information;

(19) Information gathered under chapter 19.85 RCW or RCW 34.05.328 that can be identified to a particular business;

(20) Financial and commercial information submitted to or obtained by the University of Washington, other than information the university is required to disclose under RCW 28B.20.150, when the information relates to investments in private funds, to the extent that such information, if revealed, would reasonably be expected to result in loss to the University of Washington consolidated endowment fund or to result in private loss to the providers of this information;

(21) Market share data submitted by a manufacturer under RCW 70.95N.190(4);

(22) Financial information supplied to the department of financial institutions (~~or to a portal under RCW 21.20.883~~), when filed by or on behalf of an issuer of securities for the purpose of obtaining the exemption from state securities registration for small securities offerings provided under RCW 21.20.880 or when filed by or on behalf of an investor for the purpose of purchasing such securities;

(23) Unaggregated or individual notices of a transfer of crude oil that is financial, proprietary, or commercial information, submitted to the department of ecology pursuant to RCW 90.56.565(1)(a), and that is in the possession of the department of ecology or any entity with which the department of ecology has shared the notice pursuant to RCW 90.56.565;

(24) Financial institution and retirement account information, and building security plan information, supplied to the liquor and cannabis board pursuant to RCW 69.50.325, 69.50.331, 69.50.342, and 69.50.345, when filed by or on behalf of a licensee or prospective licensee for the purpose of obtaining, maintaining, or renewing a license to produce, process, transport, or sell marijuana as allowed under chapter 69.50 RCW;

(25) Marijuana transport information, vehicle and driver identification data, and account numbers or unique access identifiers issued to private entities for traceability system access, submitted by an individual or business to the liquor and cannabis board under the requirements of RCW 69.50.325, 69.50.331, 69.50.342, and 69.50.345 for the purpose of marijuana product traceability. Disclosure to local, state, and federal officials is not considered public disclosure for purposes of this section;

(26) Financial and commercial information submitted to or obtained by the retirement board of any city that is responsible for the management of an employees' retirement system pursuant to the authority of chapter 35.39 RCW, when the information relates to investments in private funds, to the extent that such information, if revealed, would reasonably be expected to result in loss to the retirement fund or to result in private loss to the providers of this information except that (a) the names and commitment amounts of the private funds in which retirement funds are invested and (b) the aggregate quarterly performance results for a retirement fund's portfolio of investments in such funds are subject to disclosure;

(27) Proprietary financial, commercial, operations, and technical and research information and data submitted to or obtained by the liquor and cannabis board in applications for marijuana research licenses under RCW 69.50.372, or in reports submitted by marijuana research licensees in accordance with rules adopted by the liquor and cannabis board under RCW 69.50.372;

(28) Trade secrets, technology, proprietary information, and financial considerations contained in any agreements or contracts, entered into by a licensed marijuana business under RCW 69.50.395, which may be submitted to or obtained by the state liquor and cannabis board; (~~and~~)

(29) Financial, commercial, operations, and technical and research information and data submitted to or obtained by the Andy Hill cancer research endowment program in applications for, or delivery of, grants under chapter 43.348 RCW, to the extent that such information, if revealed, would reasonably be expected to result in private loss to providers of this information; (~~and~~)

(30) Proprietary information filed with the department of health under chapter 69.48 RCW; and

(31) Records filed with the department of ecology under chapter 70.--- RCW (the new chapter created in section 17 of this act) that a court has determined are confidential valuable commercial information under section 13 of this act.

NEW SECTION. Sec. 15. A new section is added to chapter 82.04 RCW to read as follows:

(1) This chapter does not apply to the receipts attributable to the assessment on architectural paint imposed pursuant to chapter 70.--- RCW (the new chapter created in section 17 of this act).

(2) This section is not subject to the requirements of RCW 82.32.805 and 82.32.808, and is not subject to an expiration date.

Sec. 16. RCW 43.21B.110 and 2013 c 291 s 34 are each amended to read as follows:

(1) The hearings board shall only have jurisdiction to hear and decide appeals from the following decisions of the department, the director, local conservation districts, the air pollution control boards or authorities as established pursuant to chapter 70.94 RCW, local health departments, the department of natural resources, the department of fish and wildlife, the parks and recreation commission, and authorized public entities described in chapter 79.100 RCW:

(a) Civil penalties imposed pursuant to RCW 18.104.155, 70.94.431, 70.105.080, 70.107.050, section 6 of this act, 76.09.170, 77.55.291, 78.44.250, 88.46.090, 90.03.600, 90.46.270, 90.48.144, 90.56.310, 90.56.330, and 90.64.102.

(b) Orders issued pursuant to RCW 18.104.043, 18.104.060, 43.27A.190, 70.94.211, 70.94.332, 70.105.095, 86.16.020, 88.46.070, 90.14.130, 90.46.250, 90.48.120, and 90.56.330.

(c) Except as provided in RCW 90.03.210(2), the issuance, modification, or termination of any permit, certificate, or license by the department or any air authority in the exercise of its jurisdiction, including the issuance or termination of a waste disposal permit, the denial of an application for a waste disposal permit, the modification of the conditions or the terms of a waste disposal permit, or a decision to approve or deny an application for a solid waste permit exemption under RCW 70.95.300.

(d) Decisions of local health departments regarding the grant or denial of solid waste permits pursuant to chapter 70.95 RCW.

(e) Decisions of local health departments regarding the issuance and enforcement of permits to use or dispose of biosolids under RCW 70.95J.080.

(f) Decisions of the department regarding waste-derived fertilizer or micronutrient fertilizer under RCW 15.54.820, and decisions of the department regarding waste-derived soil amendments under RCW 70.95.205.

(g) Decisions of local conservation districts related to the denial of approval or denial of certification of a dairy nutrient management plan; conditions contained in a plan; application of any dairy nutrient management practices, standards, methods, and technologies to a particular dairy farm; and failure to adhere to the plan review and approval timelines in RCW 90.64.026.

(h) Any other decision by the department or an air authority which pursuant to law must be decided as an adjudicative proceeding under chapter 34.05 RCW.

(i) Decisions of the department of natural resources, the department of fish and wildlife, and the department that are reviewable under chapter 76.09 RCW, and the department of natural resources' appeals of county, city, or town objections under RCW 76.09.050(7).

(j) Forest health hazard orders issued by the commissioner of public lands under RCW 76.06.180.

(k) Decisions of the department of fish and wildlife to issue, deny, condition, or modify a hydraulic project approval permit under chapter 77.55 RCW.

(l) Decisions of the department of natural resources that are reviewable under RCW 78.44.270.

(m) Decisions of an authorized public entity under RCW 79.100.010 to take temporary possession or custody of a vessel or to contest the amount of reimbursement owed that are reviewable by the hearings board under RCW 79.100.120.

(2) The following hearings shall not be conducted by the hearings board:

(a) Hearings required by law to be conducted by the shorelines hearings board pursuant to chapter 90.58 RCW.

(b) Hearings conducted by the department pursuant to RCW 70.94.332, 70.94.390, 70.94.395, 70.94.400, 70.94.405, 70.94.410, and 90.44.180.

(c) Appeals of decisions by the department under RCW 90.03.110 and 90.44.220.

(d) Hearings conducted by the department to adopt, modify, or repeal rules.

(3) Review of rules and regulations adopted by the hearings board shall be subject to review in accordance with the provisions of the administrative procedure act, chapter 34.05 RCW.

NEW SECTION. Sec. 17. Sections 1 through 13 of this act constitute a new chapter in Title 70 RCW.

Passed by the House April 25, 2019.

Passed by the Senate April 27, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 345

[Engrossed Substitute House Bill 1696]

WAGE AND SALARY INFORMATION--EMPLOYERS

AN ACT Relating to wage and salary information; amending RCW 49.58.005; and adding new sections to chapter 49.58 RCW.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 49.58.005 and 2018 c 116 s 1 are each amended to read as follows:

(1) The legislature finds that despite existing equal pay laws, there continues to be a gap in wages and advancement opportunities among workers in Washington, especially women. Income disparities limit the ability of women to provide for their families, leading to higher rates of poverty among women and children. The legislature finds that in order to promote fairness among workers, employees must be compensated equitably. Further, policies that encourage retaliation or discipline towards workers who discuss or inquire about compensation prevent workers from moving forward.

(2) The legislature intends to update the existing Washington state equal pay act, not modified since 1943, to address income disparities, employer

discrimination, and retaliation practices, and to reflect the equal status of all workers in Washington state.

(3) The legislature finds that:

(a) The long-held business practice of inquiring about salary history has contributed to persistent earning inequalities;

(b) Historically, women have been offered lower initial pay than men for the same jobs even where their levels of education and experience are the same or comparable; and

(c) Lower starting salaries translate into lower pay, less family income, and more children and families in poverty.

(4) The legislature therefore intends to follow multiple other states and take the additional step towards gender equality by prohibiting an employer from seeking the wage or salary history of an applicant for employment in certain circumstances. Further, the legislature intends to require an employer to provide wage and salary information to applicants and employees.

NEW SECTION. Sec. 2. A new section is added to chapter 49.58 RCW to read as follows:

(1) An employer may not:

(a) Seek the wage or salary history of an applicant for employment from the applicant or a current or former employer; or

(b) Require that an applicant's prior wage or salary history meet certain criteria, except as provided in subsection (2) of this section.

(2) An employer may confirm an applicant's wage or salary history:

(a) If the applicant has voluntarily disclosed the applicant's wage or salary history; or

(b) After the employer has negotiated and made an offer of employment with compensation to the applicant.

(3) An individual is entitled to the remedies in RCW 49.58.060 and 49.58.070 for violations of this section. Recovery of any wages and interest must be calculated from the first date wages were owed to the employee.

NEW SECTION. Sec. 3. A new section is added to chapter 49.58 RCW to read as follows:

(1) Upon request of an applicant for employment after the employer has initially offered the applicant the position, the employer must provide the minimum wage or salary for the position for which the applicant is applying.

(2) Upon request of an employee offered an internal transfer to a new position or promotion, the employer must provide the wage scale or salary range for the employee's new position.

(3) If no wage scale or salary range exists, the employer must provide the minimum wage or salary expectation set by the employer prior to posting the position, making a position transfer, or making the promotion.

(4) This section only applies to employers with fifteen or more employees.

(5) An individual is entitled to the remedies in RCW 49.58.060 and 49.58.070 for violations of this section. Recovery of any wages and interest must be calculated from the first date wages were owed to the employee.

NEW SECTION. Sec. 4. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 5. A new section is added to chapter 49.58 RCW to read as follows:

This chapter may be known and cited as the Washington equal pay and opportunities act.

Passed by the House April 25, 2019.

Passed by the Senate April 24, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 346

[Substitute House Bill 1798]

SHORT-TERM LODGING RENTALS

AN ACT Relating to short-term rentals; adding a new chapter to Title 64 RCW; and prescribing penalties.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. DEFINITIONS. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Contact" means the operator or the operator's representative who is the point of contact for any short-term rental guest for the duration of the guest's stay in the short-term rental.

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

(3) " Dwelling unit" means a residential dwelling of any type, including a single-family residence, apartment, condominium, cooperative unit, or room, in which a person may obtain living accommodations for less than thirty days, but not including duly licensed bed and breakfast, inn, hotel, motel, or timeshare property.

(4) "Fee" means remuneration or anything of economic value that is provided, promised, or donated primarily in exchange for services rendered.

(5) "Guest" means any person or persons renting a short-term rental unit.

(6) "Operator" or "short-term rental operator" means any person who receives payment for owning or operating a dwelling unit, or portion thereof, as a short-term rental unit.

(7) "Owner" means any person who, alone or with others, has title or interest in any building, property, dwelling unit, or portion thereof, with or without accompanying actual possession thereof, and including any person who as agent, executor, administrator, trustee, or guardian of an estate has charge, care, or control of any building, dwelling unit, or portion thereof. A person whose sole interest in any building, dwelling unit, or portion thereof is solely that of a lessee under a lease agreement is not considered an owner.

(8) "Person" has the same meaning as provided in RCW 82.04.030.

(9)(a) "Short-term rental" means a lodging use, that is not a hotel or motel or bed and breakfast, in which a dwelling unit, or portion thereof, that is offered or provided to a guest by a short-term rental operator for a fee for fewer than thirty consecutive nights.

(b) "Short-term rental" does not include any of the following:

(i) A dwelling unit that is occupied by the owner for at least six months during the calendar year and in which fewer than three rooms are rented at any time;

(ii) A dwelling unit, or portion thereof, that is used by the same person for thirty or more consecutive nights; or

(iii) A dwelling unit, or portion thereof, that is operated by an organization or government entity that is registered as a charitable organization with the secretary of state, state of Washington, or is classified by the federal internal revenue service as a public charity or a private foundation, and provides temporary housing to individuals who are being treated for trauma, injury, or disease, or their family members.

(10) "Short-term rental advertisement" means any method of soliciting use of a dwelling unit for short-term rental purposes.

(11) "Short-term rental platform" or "platform" means a person that provides a means through which an operator may offer a dwelling unit, or portion thereof, for short-term rental use, and from which the person or entity financially benefits. Merely publishing a short-term rental advertisement for accommodations does not make the publisher a short-term rental platform.

NEW SECTION. Sec. 2. TAXES. Short-term rental operators must remit all applicable local, state, and federal taxes unless the platform does this on the operator's behalf. This includes occupancy, sales, lodging, and other taxes, fees, and assessments to which an owner or operator of a hotel or bed and breakfast is subject in the jurisdiction in which the short-term rental is located. If the short-term rental platform collects and remits an occupancy, sales, lodging, and other tax, fee, or assessment to which a short-term rental operator is subject on behalf of such operator, the platform must collect and remit such tax to the appropriate authorities.

NEW SECTION. Sec. 3. CONSUMER SAFETY. (1) All short-term rental operators who offer dwelling units, or portions thereof, for short-term rental use in the state of Washington must:

(a) Provide contact information to all short-term rental guests during a guest's stay. The contact must be available to respond to inquiries at the short-term rental during the length of stay;

(b) Provide that their short-term rental is in compliance with RCW 19.27.530 and any rules adopted by the state building code council regarding the installation of carbon monoxide alarms; and

(c) Post the following information in a conspicuous place within each dwelling unit used as a short-term rental:

(i) The short-term rental street address;

(ii) The emergency contact information for summoning police, fire, or emergency medical services;

(iii) The floor plan indicating fire exits and escape routes;

(iv) The maximum occupancy limits; and

(v) The contact information for the operator or designated contact.

(2) Short-term rental platforms must provide short-term rental operators with a summary of the consumer safety requirements in subsection (1) of this section.

(3) For a first violation of this section, the city or county attorney must issue a warning letter to the owner or operator. An owner that violates this section after receiving a warning letter is guilty of a class 2 civil infraction under chapter 7.80 RCW.

NEW SECTION. Sec. 4. SHORT-TERM RENTAL PLATFORMS. (1) No short-term rental platform may engage in the business in the state of Washington unless the short-term rental platform is in compliance with the requirements of this chapter.

(2) A short-term rental platform must register with the department.

(3) Short-term rental platforms must inform all operators who use the platform of the operator's responsibilities to collect and remit all applicable local, state, and federal taxes unless the platform does this on the operator's behalf.

(4) Short-term rental platforms must inform all operators who use the platform of short-term rental safety requirements required in this chapter.

(5) Short-term rental platforms must provide all operators who use the platform with written notice, delivered by mail or electronically, that the operator's personal insurance policy that covers their dwelling unit might not provide liability protection, defense costs, or first party coverage when their property is used for short-term rental stays.

NEW SECTION. Sec. 5. LIABILITY INSURANCE. A short-term rental operator must maintain primary liability insurance to cover the short-term rental dwelling unit in the aggregate of not less than one million dollars or conduct each short-term rental transaction through a platform that provides equal or greater primary liability insurance coverage. Nothing in this section prevents an operator or a platform from seeking contributions from any other insurer also providing primary liability insurance coverage for the short-term rental transaction to the extent of that insurer's primary liability coverage limits.

NEW SECTION. Sec. 6. Sections 1 through 5 of this act constitute a new chapter in Title 64 RCW.

Passed by the House April 18, 2019.

Passed by the Senate April 11, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 347

[Engrossed Substitute House Bill 1839]

QUALIFYING ARENAS AND ICE HOCKEY PRACTICE FACILITIES--SALES AND USE TAX DEFERRAL

AN ACT Relating to requiring eligible arena projects to fully pay the state and local sales tax within ten years of commencing construction; adding new sections to chapter 82.32 RCW; creating a new section; providing an expiration date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. (1) This section is the tax preference performance statement for the tax preference contained in section 2, chapter . . ., Laws of 2019 (section 2 of this act). This performance statement is only intended to be

used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes this tax preference as one intended to provide tax relief for certain businesses or individuals and to accomplish a general purpose as indicated in RCW 82.32.808(2) (e) and (f).

(3) It is the legislature's specific public policy objective to increase the fiscal stability of multipurpose sports and entertainment arenas in Washington state and thereby strengthen the economic vitality of the communities in which the arenas and practice facilities are located.

(4) To measure the effectiveness of the tax preference in achieving the specific public policy objective described in this act, the joint legislative audit and review committee must evaluate this tax preference. In evaluating the tax preference, the joint legislative audit and review committee may refer to data provided to the department of revenue.

NEW SECTION. Sec. 2. A new section is added to chapter 82.32 RCW to read as follows:

(1) Until October 1, 2019, a qualifying business may apply for a deferral of taxes on an eligible project. Application must be made to the department in a form and manner prescribed by the department. The application must contain information regarding the location of the project, estimated or actual costs of the project, time schedules for completion and operation of the project, and other information required by the department. The department must rule on the application within sixty days.

(2) If the department approves an application for a deferral of taxes under this section, the department must issue a sales and use tax deferral certificate for state and local sales and use taxes due under chapters 82.08, 82.12, 82.14, and 81.104 RCW. This certificate expires on the date the eligible project becomes operationally complete. The certificate may only be used for sales and use tax liability incurred after the date the department issued the certificate.

(3) A recipient of a certificate must notify the department when its eligible project is operationally complete. The department must review the qualifying business's records after the eligible project is operationally complete to ensure the correct amount of taxes has been reported and will be repaid.

(4)(a) For local sales and use taxes, the recipient of the certificate must begin paying deferred sales and use taxes in the first calendar year after the date certified by the department as the date on which the eligible project is operationally complete. The first payment is due on January 1st of the first calendar year after such certified date, with subsequent annual payments due on January 1st of the following seven years. Each payment must equal twelve and one-half percent of the tax due plus interest.

(b) For state sales and use taxes, the recipient of the certificate must repay all deferred state sales and use taxes by June 30, 2023.

(c) The department must assess interest, but not penalties, on the deferred taxes. The interest must be assessed at the rate provided for delinquent taxes under this chapter, retroactively to the date the project was certified to be operationally complete, and will accrue until the deferred taxes are repaid.

(5) The department may authorize an accelerated repayment schedule upon request of the qualifying business.

(6) The debt for taxes due is not extinguished by insolvency or other failure of the qualifying business. Transfer of ownership does not terminate the deferral if the transferee agrees in writing to be bound by the requirements of this section and receives approval from the department. If the department approves the transfer of the deferral to a transferee, such approval not to be unreasonably withheld, conditioned, or delayed, the transferee is solely liable for repayment of the deferred taxes.

(7) If the eligible project is not operationally complete within three calendar years from the date that the department issued the certificate for the project, or if at any time the department finds that the project is not eligible for a deferral under this section, the amount of taxes outstanding for the project is immediately due and payable. If taxes must be repaid under this subsection, the department must assess interest at the rate provided for delinquent taxes under this chapter retroactively to the date of issuance of the certificate, but not penalties, on amounts due under this subsection.

(8) Applications and any other information received by the department under this section are not confidential under RCW 82.32.330. This chapter applies to the administration of this section.

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

(a) "Eligible project" means a project consisting of either or both (i) a qualifying arena, associated parking structures, plazas, public spaces, and one or more tunnels connecting the arena and parking structures, or (ii) an ice hockey practice facility.

(b) "Ice hockey practice facility" means one or more contiguous structures of up to two hundred thousand square feet located within ten miles of a qualifying arena that (i) contains at least three ice rinks, and (ii) is being developed to attract a professional ice hockey franchise. An "ice hockey practice facility" may include ice rinks, spectator viewing locations, locker rooms, strength and conditioning rooms, administrative offices, retail space, food service facilities, and other amenities related to the operation of a state-of-the-art ice hockey center.

(c) "Operationally complete" means the project is capable of being used for its intended purpose as described in the application.

(d) "Personal property" means tangible personal property with a useful life of one year or more that is used in the operation of the eligible project.

(e) "Project" means the construction of new improvements, the renovation of existing improvements, the acquisition and installation of fixtures that are permanently affixed to and become a physical part of those improvements, personal property, and site preparation. "Project" includes materials used and labor and services rendered in respect to the planning, site preparation, construction, renovation, and installation.

(f) "Qualifying arena" means a multipurpose sports and entertainment facility owned by the largest city in a county with a population of at least one million five hundred thousand that is being redeveloped to attract professional ice hockey and basketball league franchises.

(g) "Qualifying business" means a business entity that exists for the primary purpose of engaging in commercial activity for profit and has entered into a

lease or occupancy agreement with the fee owner of a qualifying arena and/or ice hockey practice facility to engage in the development of an eligible project.

(h) "Site preparation" includes soil testing, site clearing and grading, demolition, or any other related activities that are initiated before construction.

(10) This section expires January 1, 2030.

NEW SECTION. Sec. 3. A new section is added to chapter 82.32 RCW to read as follows:

(1) The state treasurer must deposit the repayment of deferred state sales and use taxes due under section 2 of this act into the general fund.

(2)(a) Except as provided in (b) of this subsection (2), the state treasurer must deposit half of the repayment of deferred local sales and use taxes due under section 2 of this act into the local sales and use tax account created in RCW 82.14.050.

(b) The state treasurer must deposit the remaining half of the repayment of deferred local sales and use taxes due under section 2 of this act into the state building construction account for the exclusive purpose of funding the construction or rehabilitation of capital facilities used for youth educational programming related to discovery, experimentation, and critical thinking in the sciences. The capital facility must be located on the same premises as a qualifying arena.

(3) The state treasurer must deposit any interest assessed and accrued on taxes due pursuant to section 2(4) of this act that is part of any annual repayment as follows:

(a) Interest on state taxes must be deposited into the state general fund.

(b) Interest on local taxes must be deposited into the local sales and use tax account.

(4) In the event that an accelerated repayment schedule is authorized by the department pursuant to section 2(5) of this act, the state treasurer must deposit any amount in excess of taxes due pursuant to section 2(4) of this act into the state general fund and into the local sales and use account, with the respective amounts deposited based on the proportionate shares of the state taxes and local taxes due.

NEW SECTION. Sec. 4. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the House April 27, 2019.

Passed by the Senate April 27, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 348

[Engrossed Second Substitute House Bill 1923]

URBAN RESIDENTIAL BUILDING CAPACITY

AN ACT Relating to increasing urban residential building capacity; amending RCW 36.70A.030, 43.21C.420, and 36.70A.490; adding new sections to chapter 36.70A RCW; adding new sections to chapter 43.21C RCW; adding a new section to chapter 35.21 RCW; adding a new section to chapter 35A.21 RCW; adding a new section to chapter 36.22 RCW; providing an effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. **Sec. 1.** A new section is added to chapter 36.70A RCW to read as follows:

(1) A city planning pursuant to RCW 36.70A.040 is encouraged to take the following actions in order to increase its residential building capacity:

(a) Authorize development in one or more areas of not fewer than five hundred acres that include at least one train station served by commuter rail or light rail with an average of at least fifty residential units per acre that require no more than an average of one on-site parking space per two bedrooms in the portions of multifamily zones that are located within the areas;

(b) Authorize development in one or more areas of not fewer than five hundred acres in cities with a population greater than forty thousand or not fewer than two hundred fifty acres in cities with a population less than forty thousand that include at least one bus stop served by scheduled bus service of at least four times per hour for twelve or more hours per day with an average of at least twenty-five residential units per acre that require no more than an average of one on-site parking space per two bedrooms in portions of the multifamily zones that are located within the areas;

(c) Authorize at least one duplex, triplex, or courtyard apartment on each parcel in one or more zoning districts that permit single-family residences unless a city documents a specific infrastructure of physical constraint that would make this requirement unfeasible for a particular parcel;

(d) Authorize cluster zoning or lot size averaging in all zoning districts that permit single-family residences;

(e) Authorize attached accessory dwelling units on all parcels containing single-family homes where the lot is at least three thousand two hundred square feet in size, and permit both attached and detached accessory dwelling units on all parcels containing single-family homes, provided lots are at least four thousand three hundred fifty-six square feet in size. Qualifying city ordinances or regulations may not provide for on-site parking requirements, owner occupancy requirements, or square footage limitations below one thousand square feet for the accessory dwelling unit, and must not prohibit the separate rental or sale of accessory dwelling units and the primary residence. Cities must set applicable impact fees at no more than the projected impact of the accessory dwelling unit. To allow local flexibility, other than these factors, accessory dwelling units may be subject to such regulations, conditions, procedures, and limitations as determined by the local legislative authority, and must follow all applicable state and federal laws and local ordinances;

(f) Adopt a subarea plan pursuant to RCW 43.21C.420;

(g) Adopt a planned action pursuant to RCW 43.21C.440(1)(b)(ii), except that an environmental impact statement pursuant to RCW 43.21C.030 is not required for such an action;

(h) Adopt increases in categorical exemptions pursuant to RCW 43.21C.229 for residential or mixed-use development;

(i) Adopt a form-based code in one or more zoning districts that permit residential uses. "Form-based code" means a land development regulation that uses physical form, rather than separation of use, as the organizing principle for the code;

(j) Authorize a duplex on each corner lot within all zoning districts that permit single-family residences;

(k) Allow for the division or redivision of land into the maximum number of lots through the short subdivision process provided in chapter 58.17 RCW; and

(l) Authorize a minimum net density of six dwelling units per acre in all residential zones, where the residential development capacity will increase within the city.

(2) A city planning pursuant to RCW 36.70A.040 may adopt a housing action plan as described in this subsection. The goal of any such housing plan must be to encourage construction of additional affordable and market rate housing in a greater variety of housing types and at prices that are accessible to a greater variety of incomes, including strategies aimed at the for-profit single-family home market. A housing action plan may utilize data compiled pursuant to section 3 of this act. The housing action plan should:

(a) Quantify existing and projected housing needs for all income levels, including extremely low-income households, with documentation of housing and household characteristics, and cost-burdened households;

(b) Develop strategies to increase the supply of housing, and variety of housing types, needed to serve the housing needs identified in (a) of this subsection;

(c) Analyze population and employment trends, with documentation of projections;

(d) Consider strategies to minimize displacement of low-income residents resulting from redevelopment;

(e) Review and evaluate the current housing element adopted pursuant to RCW 36.70A.070, including an evaluation of success in attaining planned housing types and units, achievement of goals and policies, and implementation of the schedule of programs and actions;

(f) Provide for participation and input from community members, community groups, local builders, local realtors, nonprofit housing advocates, and local religious groups; and

(g) Include a schedule of programs and actions to implement the recommendations of the housing action plan.

(3) If adopted by April 1, 2021, ordinances, amendments to development regulations, and other nonproject actions taken by a city to implement the actions specified in subsection (1) of this section, with the exception of the action specified in subsection (1)(f) of this section, are not subject to administrative or judicial appeal under chapter 43.21C RCW.

(4) Any action taken by a city prior to April 1, 2021, to amend their comprehensive plan, or adopt or amend ordinances or development regulations, solely to enact provisions under subsection (1) of this section is not subject to legal challenge under this chapter.

(5) In taking action under subsection (1) of this section, cities are encouraged to utilize strategies that increase residential building capacity in areas with frequent transit service and with the transportation and utility infrastructure that supports the additional residential building capacity.

(6) A city with a population over twenty thousand that is planning to take at least two actions under subsection (1) of this section, and that action will occur between the effective date of this section and April 1, 2021, is eligible to apply to

the department for planning grant assistance of up to one hundred thousand dollars, subject to the availability of funds appropriated for that purpose. The department shall develop grant criteria to ensure that grant funds awarded are proportionate to the level of effort proposed by a city, and the potential increase in housing supply or regulatory streamlining that could be achieved. Funding may be provided in advance of, and to support, adoption of policies or ordinances consistent with this section. A city can request, and the department may award, more than one hundred thousand dollars for applications that demonstrate extraordinary potential to increase housing supply or regulatory streamlining.

(7) A city seeking to develop a housing action plan under subsection (2) of this section is eligible to apply to the department for up to one hundred thousand dollars.

(8) The department shall establish grant award amounts under subsections (6) and (7) of this section based on the expected number of cities that will seek grant assistance, to ensure that all cities can receive some level of grant support. If funding capacity allows, the department may consider accepting and funding applications from cities with a population of less than twenty thousand if the actions proposed in the application will create a significant amount of housing capacity or regulatory streamlining and are consistent with the actions in this section.

(9) In implementing this act, cities are encouraged to prioritize the creation of affordable, inclusive neighborhoods and to consider the risk of residential displacement, particularly in neighborhoods with communities at high risk of displacement.

Sec. 2. RCW 36.70A.030 and 2017 3rd sp.s. c 18 s 2 are each amended to read as follows:

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

(1) "Adopt a comprehensive land use plan" means to enact a new comprehensive land use plan or to update an existing comprehensive land use plan.

(2) "Agricultural land" means land primarily devoted to the commercial production of horticultural, viticultural, floricultural, dairy, apiary, vegetable, or animal products or of berries, grain, hay, straw, turf, seed, Christmas trees not subject to the excise tax imposed by RCW 84.33.100 through 84.33.140, finfish in upland hatcheries, or livestock, and that has long-term commercial significance for agricultural production.

(3) "City" means any city or town, including a code city.

(4) "Comprehensive land use plan," "comprehensive plan," or "plan" means a generalized coordinated land use policy statement of the governing body of a county or city that is adopted pursuant to this chapter.

(5) "Critical areas" include the following areas and ecosystems: (a) Wetlands; (b) areas with a critical recharging effect on aquifers used for potable water; (c) fish and wildlife habitat conservation areas; (d) frequently flooded areas; and (e) geologically hazardous areas. "Fish and wildlife habitat conservation areas" does not include such artificial features or constructs as irrigation delivery systems, irrigation infrastructure, irrigation canals, or

drainage ditches that lie within the boundaries of and are maintained by a port district or an irrigation district or company.

(6) "Department" means the department of commerce.

(7) "Development regulations" or "regulation" means the controls placed on development or land use activities by a county or city, including, but not limited to, zoning ordinances, critical areas ordinances, shoreline master programs, official controls, planned unit development ordinances, subdivision ordinances, and binding site plan ordinances together with any amendments thereto. A development regulation does not include a decision to approve a project permit application, as defined in RCW 36.70B.020, even though the decision may be expressed in a resolution or ordinance of the legislative body of the county or city.

(8) "Forestland" means land primarily devoted to growing trees for long-term commercial timber production on land that can be economically and practically managed for such production, including Christmas trees subject to the excise tax imposed under RCW 84.33.100 through 84.33.140, and that has long-term commercial significance. In determining whether forestland is primarily devoted to growing trees for long-term commercial timber production on land that can be economically and practically managed for such production, the following factors shall be considered: (a) The proximity of the land to urban, suburban, and rural settlements; (b) surrounding parcel size and the compatibility and intensity of adjacent and nearby land uses; (c) long-term local economic conditions that affect the ability to manage for timber production; and (d) the availability of public facilities and services conducive to conversion of forestland to other uses.

(9) "Freight rail dependent uses" means buildings and other infrastructure that are used in the fabrication, processing, storage, and transport of goods where the use is dependent on and makes use of an adjacent short line railroad. Such facilities are both urban and rural development for purposes of this chapter. "Freight rail dependent uses" does not include buildings and other infrastructure that are used in the fabrication, processing, storage, and transport of coal, liquefied natural gas, or "crude oil" as defined in RCW 90.56.010.

(10) "Geologically hazardous areas" means areas that because of their susceptibility to erosion, sliding, earthquake, or other geological events, are not suited to the siting of commercial, residential, or industrial development consistent with public health or safety concerns.

(11) "Long-term commercial significance" includes the growing capacity, productivity, and soil composition of the land for long-term commercial production, in consideration with the land's proximity to population areas, and the possibility of more intense uses of the land.

(12) "Minerals" include gravel, sand, and valuable metallic substances.

(13) "Public facilities" include streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, domestic water systems, storm and sanitary sewer systems, parks and recreational facilities, and schools.

(14) "Public services" include fire protection and suppression, law enforcement, public health, education, recreation, environmental protection, and other governmental services.

(15) "Recreational land" means land so designated under RCW 36.70A.1701 and that, immediately prior to this designation, was designated as

agricultural land of long-term commercial significance under RCW 36.70A.170. Recreational land must have playing fields and supporting facilities existing before July 1, 2004, for sports played on grass playing fields.

(16) "Rural character" refers to the patterns of land use and development established by a county in the rural element of its comprehensive plan:

(a) In which open space, the natural landscape, and vegetation predominate over the built environment;

(b) That foster traditional rural lifestyles, rural-based economies, and opportunities to both live and work in rural areas;

(c) That provide visual landscapes that are traditionally found in rural areas and communities;

(d) That are compatible with the use of the land by wildlife and for fish and wildlife habitat;

(e) That reduce the inappropriate conversion of undeveloped land into sprawling, low-density development;

(f) That generally do not require the extension of urban governmental services; and

(g) That are consistent with the protection of natural surface water flows and groundwater and surface water recharge and discharge areas.

(17) "Rural development" refers to development outside the urban growth area and outside agricultural, forest, and mineral resource lands designated pursuant to RCW 36.70A.170. Rural development can consist of a variety of uses and residential densities, including clustered residential development, at levels that are consistent with the preservation of rural character and the requirements of the rural element. Rural development does not refer to agriculture or forestry activities that may be conducted in rural areas.

(18) "Rural governmental services" or "rural services" include those public services and public facilities historically and typically delivered at an intensity usually found in rural areas, and may include domestic water systems, fire and police protection services, transportation and public transit services, and other public utilities associated with rural development and normally not associated with urban areas. Rural services do not include storm or sanitary sewers, except as otherwise authorized by RCW 36.70A.110(4).

(19) "Short line railroad" means those railroad lines designated class II or class III by the United States surface transportation board.

(20) "Urban governmental services" or "urban services" include those public services and public facilities at an intensity historically and typically provided in cities, specifically including storm and sanitary sewer systems, domestic water systems, street cleaning services, fire and police protection services, public transit services, and other public utilities associated with urban areas and normally not associated with rural areas.

(21) "Urban growth" refers to growth that makes intensive use of land for the location of buildings, structures, and impermeable surfaces to such a degree as to be incompatible with the primary use of land for the production of food, other agricultural products, or fiber, or the extraction of mineral resources, rural uses, rural development, and natural resource lands designated pursuant to RCW 36.70A.170. A pattern of more intensive rural development, as provided in RCW 36.70A.070(5)(d), is not urban growth. When allowed to spread over wide areas, urban growth typically requires urban governmental services.

"Characterized by urban growth" refers to land having urban growth located on it, or to land located in relationship to an area with urban growth on it as to be appropriate for urban growth.

(22) "Urban growth areas" means those areas designated by a county pursuant to RCW 36.70A.110.

(23) "Wetland" or "wetlands" means areas that are inundated or saturated by surface water or groundwater at a frequency and duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands generally include swamps, marshes, bogs, and similar areas. Wetlands do not include those artificial wetlands intentionally created from nonwetland sites, including, but not limited to, irrigation and drainage ditches, grass-lined swales, canals, detention facilities, wastewater treatment facilities, farm ponds, and landscape amenities, or those wetlands created after July 1, 1990, that were unintentionally created as a result of the construction of a road, street, or highway. Wetlands may include those artificial wetlands intentionally created from nonwetland areas created to mitigate conversion of wetlands.

(24) "Affordable housing" means, unless the context clearly indicates otherwise, residential housing whose monthly costs, including utilities other than telephone, do not exceed thirty percent of the monthly income of a household whose income is:

(a) For rental housing, sixty percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development; or

(b) For owner-occupied housing, eighty percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.

(25) "Extremely low-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below thirty percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.

(26) "Low-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below eighty percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.

(27) "Permanent supportive housing" is subsidized, leased housing with no limit on length of stay, paired with on-site or off-site voluntary services designed to support a person living with a disability to be a successful tenant in a housing arrangement, improve the resident's health status, and connect residents of the housing with community-based health care, treatment, and employment services.

(28) "Very low-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below fifty percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.

NEW SECTION. Sec. 3. A new section is added to chapter 36.70A RCW to read as follows:

The Washington center for real estate research at the University of Washington shall produce a report every two years that compiles housing supply and affordability metrics for each city planning under RCW 36.70A.040 with a population of ten thousand or more. The initial report, completed by October 15, 2020, must be a compilation of objective criteria relating to development regulations, zoning, income, housing and rental prices, housing affordability programs, and other metrics relevant to assessing housing supply and affordability for all income segments, including the percentage of cost-burdened households, of each city subject to the report required by this section. The report completed by October 15, 2022, must also include data relating to actions taken by cities under this act. The report completed by October 15, 2024, must also include relevant data relating to buildable lands reports prepared under RCW 36.70A.215, where applicable, and updates to comprehensive plans under this chapter. The Washington center for real estate research shall collaborate with the Washington housing finance commission and the office of financial management to develop the metrics compiled in the report. The report must be submitted, consistent with RCW 43.01.036, to the standing committees of the legislature with jurisdiction over housing issues and this chapter.

NEW SECTION. Sec. 4. A new section is added to chapter 43.21C RCW to read as follows:

If adopted by April 1, 2021, amendments to development regulations and other nonproject actions taken by a city to implement section 1 (1) or (4) of this act, with the exception of the action specified in section 1(1)(f) of this act, are not subject to administrative or judicial appeals under this chapter.

NEW SECTION. Sec. 5. A new section is added to chapter 36.70A RCW to read as follows:

In counties and cities planning under RCW 36.70A.040, minimum residential parking requirements mandated by municipal zoning ordinances for housing units constructed after July 1, 2019, are subject to the following requirements:

(1) For housing units that are affordable to very low-income or extremely low-income individuals and that are located within one-quarter mile of a transit stop that receives transit service at least four times per hour for twelve or more hours per day, minimum residential parking requirements may be no greater than one parking space per bedroom or .75 space per unit. A city may require a developer to record a covenant that prohibits the rental of a unit subject to this parking restriction for any purpose other than providing for housing for very low-income or extremely low-income individuals. The covenant must address price restrictions and household income limits and policies if the property is converted to a use other than for low-income housing. A city may establish a requirement for the provision of more than one parking space per bedroom or .75 space per unit if the jurisdiction has determined a particular housing unit to be in an area with a lack of access to street parking capacity, physical space impediments, or other reasons supported by evidence that would make on-street parking infeasible for the unit.

(2) For housing units that are specifically for seniors or people with disabilities, that are located within one-quarter mile of a transit stop that receives transit service at least four times per hour for twelve or more hours per day, a city may not impose minimum residential parking requirements for the residents of such housing units, subject to the exceptions provided in this subsection. A city may establish parking requirements for staff and visitors of such housing units. A city may establish a requirement for the provision of one or more parking space per bedroom if the jurisdiction has determined a particular housing unit to be in an area with a lack of access to street parking capacity, physical space impediments, or other reasons supported by evidence that would make on-street parking infeasible for the unit. A city may require a developer to record a covenant that prohibits the rental of a unit subject to this parking restriction for any purpose other than providing for housing for seniors or people with disabilities.

NEW SECTION. Sec. 6. A new section is added to chapter 43.21C RCW to read as follows:

(1) A project action pertaining to residential, multifamily, or mixed use development evaluated under this chapter by a city or town planning under RCW 36.70A.040 is exempt from appeals under this chapter on the basis of the evaluation of or impacts to transportation elements of the environment, so long as the project does not present significant adverse impacts to the state-owned transportation system as determined by the department of transportation and the project is:

- (a)(i) Consistent with a locally adopted transportation plan; or
- (ii) Consistent with the transportation element of a comprehensive plan; and
- (b)(i) A project for which traffic or parking impact fees are imposed pursuant to RCW 82.02.050 through 82.02.090; or

(ii) A project for which traffic or parking impacts are expressly mitigated by an ordinance, or ordinances, of general application adopted by the city or town.

(2) For purposes of this section, "impacts to transportation elements of the environment" include impacts to transportation systems; vehicular traffic; waterborne, rail, and air traffic; parking; movement or circulation of people or goods; and traffic hazards.

Sec. 7. RCW 43.21C.420 and 2010 c 153 s 2 are each amended to read as follows:

(1) Cities with a population greater than five thousand, in accordance with their existing comprehensive planning and development regulation authority under chapter 36.70A RCW, and in accordance with this section, may adopt optional elements of their comprehensive plans and optional development regulations that apply within specified subareas of the cities, that are either:

(a) Areas designated as mixed-use or urban centers in a land use or transportation plan adopted by a regional transportation planning organization; or

(b) Areas within one-half mile of a major transit stop that are zoned to have an average minimum density of fifteen dwelling units or more per gross acre.

(2) Cities located on the east side of the Cascade mountains and located in a county with a population of two hundred thirty thousand or less, in accordance with their existing comprehensive planning and development regulation

authority under chapter 36.70A RCW, and in accordance with this section, may adopt optional elements of their comprehensive plans and optional development regulations that apply within the mixed-use or urban centers. The optional elements of their comprehensive plans and optional development regulations must enhance pedestrian, bicycle, transit, or other nonvehicular transportation methods.

(3) A major transit stop is defined as:

(a) A stop on a high capacity transportation service funded or expanded under the provisions of chapter 81.104 RCW;

(b) Commuter rail stops;

(c) Stops on rail or fixed guideway systems, including transitways;

(d) Stops on bus rapid transit routes or routes that run on high occupancy vehicle lanes; or

(e) Stops for a bus or other transit mode providing fixed route service at intervals of at least thirty minutes during the peak hours of operation.

(4)(a) A city that elects to adopt such an optional comprehensive plan element and optional development regulations shall prepare a nonproject environmental impact statement, pursuant to RCW 43.21C.030, assessing and disclosing the probable significant adverse environmental impacts of the optional comprehensive plan element and development regulations and of future development that is consistent with the plan and regulations.

(b) At least one community meeting must be held on the proposed subarea plan before the scoping notice for such a nonproject environmental impact statement is issued. Notice of scoping for such a nonproject environmental impact statement and notice of the community meeting required by this section must be mailed to all property owners of record within the subarea to be studied, to all property owners within one hundred fifty feet of the boundaries of such a subarea, to all affected federally recognized tribal governments whose ceded area is within one-half mile of the boundaries of the subarea, and to agencies with jurisdiction over the future development anticipated within the subarea.

~~(c) ((In cities with over five hundred thousand residents, notice of scoping for such a nonproject environmental impact statement and notice of the community meeting required by this section must be mailed to all small businesses as defined in RCW 19.85.020, and to all community preservation and development authorities established under chapter 43.167 RCW, located within the subarea to be studied or within one hundred fifty feet of the boundaries of such subarea. The process for community involvement must have the goal of fair treatment and meaningful involvement of all people with respect to the development and implementation of the subarea planning process.~~

~~(d))~~ The notice of the community meeting must include general illustrations and descriptions of buildings generally representative of the maximum building envelope that will be allowed under the proposed plan and indicate that future appeals of proposed developments that are consistent with the plan will be limited. Notice of the community meeting must include signs located on major travel routes in the subarea. If the building envelope increases during the process, another notice complying with the requirements of this section must be issued before the next public involvement opportunity.

~~(e))~~ (d) Any person that has standing to appeal the adoption of this subarea plan or the implementing regulations under RCW 36.70A.280 has

standing to bring an appeal of the nonproject environmental impact statement required by this subsection.

~~((f))~~ Cities with over five hundred thousand residents shall prepare a study that accompanies or is appended to the nonproject environmental impact statement, but must not be part of that statement, that analyzes the extent to which the proposed subarea plan may result in the displacement or fragmentation of existing businesses, existing residents, including people living with poverty, families with children, and intergenerational households, or cultural groups within the proposed subarea plan. The city shall also discuss the results of the analysis at the community meeting.

~~(g))~~ (e) As an incentive for development authorized under this section, a city shall consider establishing a transfer of development rights program in consultation with the county where the city is located, that conserves county-designated agricultural and forestland of long-term commercial significance. If the city decides not to establish a transfer of development rights program, the city must state in the record the reasons for not adopting the program. The city's decision not to establish a transfer of development rights program is not subject to appeal. Nothing in this subsection (4)~~((g))~~ (e) may be used as a basis to challenge the optional comprehensive plan or subarea plan policies authorized under this section.

(5)(a) Until July 1, ~~((2018))~~ 2029, a proposed development that meets the criteria of (b) of this subsection may not be challenged in administrative or judicial appeals for noncompliance with this chapter as long as a complete application for such a development that vests the application or would later lead to vested status under city or state law is submitted to the city within a time frame established by the city, but not to exceed the following time frames:

(i) Nineteen years from the date of issuance of the final environmental impact statement, for projects that are consistent with an optional element adopted by a city as of the effective date of this section; or

(ii) Ten years from the date of issuance of the final environmental impact statement, for projects that are consistent with an optional element adopted by a city after the effective date of this section.

(b) A proposed development may not be challenged, consistent with the timelines established in (a) of this subsection, so long as the development:

(i) Is consistent with the optional comprehensive plan or subarea plan policies and development regulations adopted under subsection (1) or (2) of this section;

(ii) Sets aside or requires the occupancy of at least ten percent of the dwelling units, or a greater percentage as determined by city development regulations, within the development for low-income households at a sale price or rental amount that is considered affordable by a city's housing programs. This subsection (5)(b)(ii) applies only to projects that are consistent with an optional element adopted by a city pursuant to this section after the effective date of this section; and ~~((that))~~

(iii) Is environmentally reviewed under subsection (4) of this section ~~((may not be challenged in administrative or judicial appeals for noncompliance with this chapter as long as a complete application for such a development that vests the application or would later lead to vested status under city or state law is submitted to the city within a time frame established by the city, but not to~~

exceed ten years from the date of issuance of the final environmental impact statement)).

~~((b))~~ (c) After July 1, ~~((2018))~~ 2029, the immunity from appeals under this chapter of any application that vests or will vest under this subsection or the ability to vest under this subsection is still valid, provided that the final subarea environmental impact statement is issued by July 1, ~~((2018))~~ 2029. After July 1, ~~((2018))~~ 2029, a city may continue to collect reimbursement fees under subsection (6) of this section for the proportionate share of a subarea environmental impact statement issued prior to July 1, ~~((2018))~~ 2029.

(6) It is recognized that a city that prepares a nonproject environmental impact statement under subsection (4) of this section must endure a substantial financial burden. A city may recover or apply for a grant or loan to prospectively cover its reasonable expenses of preparation of a nonproject environmental impact statement prepared under subsection (4) of this section through access to financial assistance under RCW 36.70A.490 or funding from private sources. In addition, a city is authorized to recover a portion of its reasonable expenses of preparation of such a nonproject environmental impact statement by the assessment of reasonable and proportionate fees upon subsequent development that is consistent with the plan and development regulations adopted under subsection (5) of this section, as long as the development makes use of and benefits ~~((from))~~ from, as described in subsection (5) of this section, ~~((from))~~ the nonproject environmental impact statement prepared by the city. Any assessment fees collected from subsequent development may be used to reimburse funding received from private sources. In order to collect such fees, the city must enact an ordinance that sets forth objective standards for determining how the fees to be imposed upon each development will be proportionate to the impacts of each development and to the benefits accruing to each development from the nonproject environmental impact statement. Any disagreement about the reasonableness or amount of the fees imposed upon a development may not be the basis for delay in issuance of a project permit for that development. The fee assessed by the city may be paid with the written stipulation "paid under protest" and if the city provides for an administrative appeal of its decision on the project for which the fees are imposed, any dispute about the amount of the fees must be resolved in the same administrative appeal process.

(7) If a proposed development is inconsistent with the optional comprehensive plan or subarea plan policies and development regulations adopted under subsection (1) of this section, the city shall require additional environmental review in accordance with this chapter.

Sec. 8. RCW 36.70A.490 and 2012 1st sp.s. c 1 s 309 are each amended to read as follows:

The growth management planning and environmental review fund is hereby established in the state treasury. Moneys may be placed in the fund from the proceeds of bond sales, tax revenues, budget transfers, federal appropriations, gifts, or any other lawful source. Moneys in the fund may be spent only after appropriation. Moneys in the fund shall be used to make grants or loans to local governments for the purposes set forth in RCW 43.21C.240, 43.21C.031, ~~((or))~~ 36.70A.500, section 1 of this act, for costs associated with section 3 of this act, and to cover costs associated with the adoption of optional elements of

comprehensive plans consistent with RCW 43.21C.420. Any payment of either principal or interest, or both, derived from loans made from this fund must be deposited into the fund.

NEW SECTION. Sec. 9. A new section is added to chapter 35.21 RCW to read as follows:

A city may not prohibit permanent supportive housing in areas where multifamily housing is permitted.

NEW SECTION. Sec. 10. A new section is added to chapter 35A.21 RCW to read as follows:

A code city may not prohibit permanent supportive housing in areas where multifamily housing is permitted.

NEW SECTION. Sec. 11. A new section is added to chapter 36.22 RCW to read as follows:

(1) Except as provided in subsection (2) of this section, a surcharge of two dollars and fifty cents shall be charged by the county auditor for each document recorded, which will be in addition to any other charge or surcharge allowed by law. The auditor shall remit the funds to the state treasurer to be deposited and used as follows:

(a) Through June 30, 2024, funds must be deposited into the growth management planning and environmental review fund created in RCW 36.70A.490 to be used first for grants for costs associated with section 1 of this act and for costs associated with section 3 of this act, and thereafter for any allowable use of the fund.

(b) Beginning July 1, 2024, sufficient funds must be deposited into the growth management planning and environmental review fund created in RCW 36.70A.490 for costs associated with section 3 of this act, and the remainder deposited into the home security fund account created in RCW 43.185C.060 to be used for maintenance and operation costs of: (i) Permanent supportive housing and (ii) affordable housing for very low-income and extremely low-income households. Funds may only be expended in cities that have taken action under section 1 of this act.

(2) The surcharge imposed in this section does not apply to: (a) Assignments or substitutions of previously recorded deeds of trust; (b) documents recording a birth, marriage, divorce, or death; (c) any recorded documents otherwise exempted from a recording fee or additional surcharges under state law; (d) marriage licenses issued by the county auditor; or (e) documents recording a federal, state, county, or city lien or satisfaction of lien.

(3) For purposes of this section, the terms "permanent supportive housing," "affordable housing," "very low-income households," and "extremely low-income households" have the same meaning as provided in RCW 36.70A.030.

NEW SECTION. Sec. 12. Section 11 of this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2019.

Passed by the House April 24, 2019.

Passed by the Senate April 22, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 349

[Engrossed House Bill 2020]

EMPLOYMENT INVESTIGATION RECORDS--PUBLIC RECORDS ACT EXEMPTION

AN ACT Relating to exempting the disclosure of names in employment investigation records; amending RCW 42.56.250; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that workplace harassment remains a persistent problem and there is an urgent need to address barriers that prevent people from reporting harassment. The United States equal employment opportunity commission select task force on the study of harassment in the workplace released a report in 2016 finding that ninety percent of individuals who experience harassment never take formal action, and noting that seventy-five percent of employees who spoke out against workplace mistreatment faced some sort of retaliation. The legislature finds that it is in the public interest for state employees to feel safe to report incidents of harassment when it occurs and to protect these employees from an increased risk of retaliation. The legislature finds that the release of the identities of employees who report or participate in harassment investigations increases the risk of retaliation, invades the privacy of a vulnerable population, and significantly reduces reporting of harassment. The legislature finds that if state government can make it easier for victims and witnesses of harassment to come forward and report harassment, harassment issues can be dealt with before they worsen or spread.

Sec. 2. RCW 42.56.250 and 2018 c 109 s 17 are each amended to read as follows:

The following employment and licensing information is exempt from public inspection and copying under this chapter:

(1) Test questions, scoring keys, and other examination data used to administer a license, employment, or academic examination;

(2) All applications for public employment, including the names of applicants, resumes, and other related materials submitted with respect to an applicant;

(3) Professional growth plans (PGPs) in educator license renewals submitted through the eCert system in the office of the superintendent of public instruction;

(4) The following information held by any public agency in personnel records, public employment related records, volunteer rosters, or included in any mailing list of employees or volunteers of any public agency: Residential addresses, residential telephone numbers, personal wireless telephone numbers, personal email addresses, social security numbers, driver's license numbers, identicard numbers, and emergency contact information of employees or volunteers of a public agency, and the names, dates of birth, residential addresses, residential telephone numbers, personal wireless telephone numbers, personal email addresses, social security numbers, and emergency contact information of dependents of employees or volunteers of a public agency. For purposes of this subsection, "employees" includes independent provider home care workers as defined in RCW 74.39A.240;

(5) Information that identifies a person who, while an agency employee: (a) Seeks advice, under an informal process established by the employing agency, in order to ascertain his or her rights in connection with a possible unfair practice under chapter 49.60 RCW against the person; and (b) requests his or her identity or any identifying information not be disclosed;

(6) Investigative records compiled by an employing agency (~~conducting an active and ongoing~~) in connection with an investigation of a possible unfair practice under chapter 49.60 RCW or of a possible violation of other federal, state, or local laws or an employing agency's internal policies prohibiting discrimination or harassment in employment. Records are exempt in their entirety while the investigation is active and ongoing. After the agency has notified the complaining employee of the outcome of the investigation, the records may be disclosed only if the names of complainants, other accusers, and witnesses are redacted, unless a complainant, other accuser, or witness has consented to the disclosure of his or her name. The employing agency must inform a complainant, other accuser, or witness that his or her name will be redacted from the investigation records unless he or she consents to disclosure;

(7) Criminal history records checks for board staff finalist candidates conducted pursuant to RCW 43.33A.025;

(8) ~~((Except as provided in RCW 47.64.220, salary and benefit information for maritime employees collected from private employers under RCW 47.64.220(1) and described in RCW 47.64.220(2);~~

~~(9))~~ Photographs and month and year of birth in the personnel files of employees and workers of criminal justice agencies as defined in RCW 10.97.030. The news media, as defined in RCW 5.68.010(5), shall have access to the photographs and full date of birth. For the purposes of this subsection, news media does not include any person or organization of persons in the custody of a criminal justice agency as defined in RCW 10.97.030;

~~((4))~~ (9) The global positioning system data that would indicate the location of the residence of a public employee or volunteer using the global positioning system recording device; and

~~((1))~~ (10) Until the person reaches eighteen years of age, information, otherwise disclosable under chapter 29A.08 RCW, that relates to a future voter, except for the purpose of processing and delivering ballots.

Passed by the House April 27, 2019.

Passed by the Senate April 15, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 350

[Substitute House Bill 2024]

BUSINESS AND OCCUPATION TAX EXEMPTION--CERTAIN MEDICAID DEMONSTRATION PROJECT INCENTIVE PAYMENTS

AN ACT Relating to deductions of incentive payments under the medicaid program established within 42 C.F.R. 438.6(b)(2) and Sec. 1115 medicaid demonstration project number 11-W-00304/0; amending RCW 82.04.43395; and creating new sections.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 82.04.43395 and 2018 c 102 s 2 are each amended to read as follows:

(1) An accountable community of health may deduct from the measure of tax delivery system reform incentive payments distributed by the Washington state health care authority, as described in Sec. 1115 medicaid demonstration project number 11-W-00304/0, approved by the centers for medicare and medicaid services in accordance with Sec. 1115(a) of the social security act.

(2) A hospital that is owned by a municipal corporation or political subdivision, or a hospital that is affiliated with a state institution, may deduct from the measure of tax either or both of the following:

(a) Incentive payments received through the medicaid quality improvement program established through 42 C.F.R. 438.6(b)(2), as existing on the effective date of this section;

(b) Delivery system reform incentive payments received through the project described in Sec. 1115 medicaid demonstration project number 11-W-00304/0, approved by the centers for medicare and medicaid services in accordance with Sec. 1115(a) of the social security act.

(3) ~~((For the purpose of this section,))~~ Managed care organizations may deduct from the measure of tax the incentive payments received for achieving quality performance standards established through 42 C.F.R. 438.6(b)(2), as existing on the effective date of this section.

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

(a) "Accountable community of health" means an entity designated by the health care authority as a community of health under RCW 41.05.800 and any additional accountable communities of health authorized by the health care authority as part of ((its federal innovation waiver)) Sec. 1115 medicaid demonstration project number 11-W-00304/0.

(b) "Managed care organization" has the same meaning as provided in RCW 74.60.010.

NEW SECTION. Sec. 2. The deductions in section 1 of this act apply only with respect to amounts received on or after the effective date of this section by a hospital that is owned by a municipal corporation or political subdivision, a hospital that is affiliated with a state institution, or a managed care organization.

NEW SECTION. Sec. 3. The provisions of RCW 82.32.805 and 82.32.808 do not apply to this act.

Passed by the House March 12, 2019.

Passed by the Senate April 25, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 351

[Senate Bill 5054]

BEHAVIORAL HEALTH LICENSE AND CERTIFICATION RECIPROCITY

AN ACT Relating to increasing the behavioral health workforce by establishing a reciprocity program to increase the portability of behavioral health licenses and certifications; amending RCW 18.83.170, 18.205.140, and 18.225.140; adding a new section to chapter 18.83 RCW; adding a new

section to chapter 18.205 RCW; adding a new section to chapter 18.225 RCW; and providing expiration dates.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 18.83.170 and 2004 c 262 s 12 are each amended to read as follows:

(1) Upon compliance with administrative procedures, administrative requirements, and fees determined under RCW 43.70.250 and 43.70.280, the board may grant a license, without oral examination, to any applicant who has not previously failed any examination held by the board of psychology of the state of Washington and furnishes evidence satisfactory to the board that the applicant:

((+)) (a) Holds a doctoral degree with primary emphasis on psychology from an accredited college or university; and

((2)(a)) (b)(i) Is licensed or certified to practice psychology in another state or country in which the requirements for such licensing or certification are, in the judgment of the board, essentially equivalent to those required by this chapter and the rules and regulations of the board. Such individuals must have been licensed or certified in another state for a period of at least two years; or

((b)) (ii) Is a diplomate in good standing of the American Board of Examiners in Professional Psychology; or

((e)) (iii) Is a member of a professional organization and holds a certificate deemed by the board to meet standards equivalent to this chapter.

(2)(a)(i) The department shall establish a reciprocity program for applicants for licensure as a psychologist in Washington.

(ii) The reciprocity program applies to applicants for a license as a psychologist who:

(A) Hold or have held within the past twelve months a credential in good standing from another state or territory of the United States which has a scope of practice that is substantially equivalent to or greater than the scope of practice for licensed psychologists as established under this chapter; and

(B) Have no disciplinary record or disqualifying criminal history.

(b) The department shall issue a probationary license to an applicant who meets the requirements of (a)(ii) of this subsection. The department must determine what deficiencies, if any, exist between the education and experience requirements of the other state's credential and, after consideration of the experience and capabilities of the applicant, determine whether it is appropriate to require the applicant to complete additional education or experience requirements to maintain the probationary license and, within a reasonable time period, transition to a full license. A person who holds a probationary license may only practice as a psychologist in a licensed or certified service provider, as defined in RCW 71.24.025. The department may place a reasonable time limit on a probationary license and may, if appropriate, require the applicant to pass a jurisprudential examination.

(c) The department must maintain and publish a list of credentials in other states and territories that the department has determined to have a scope of practice that is substantially equivalent to or greater than the scope of practice for licensed psychologists as established under this chapter. The department shall prioritize identifying and publishing the department's determination for the five states or territories that have historically had the most applicants for

reciprocity under subsection (1) of this section with a scope of practice that is substantially equivalent to or greater than the scope of practice for licensed psychologists as established under this chapter.

Sec. 2. RCW 18.205.140 and 1998 c 243 s 14 are each amended to read as follows:

(1) An applicant holding a credential in another state may be certified to practice in this state without examination if the secretary determines that the other state's credentialing standards are substantially equivalent to the standards in this state.

(2)(a)(i) The department shall establish a reciprocity program for applicants for certification as a chemical dependency professional in Washington.

(ii) The reciprocity program applies to applicants for certification as a chemical dependency professional who:

(A) Hold or have held within the past twelve months a credential in good standing from another state or territory of the United States which has a scope of practice that is substantially equivalent to or greater than the scope of practice for certified chemical dependency professionals as established under this chapter; and

(B) Have no disciplinary record or disqualifying criminal history.

(b) The department shall issue a probationary certificate to an applicant who meets the requirements of (a)(ii) of this subsection. The department must determine what deficiencies, if any, exist between the education and experience requirements of the other state's credential and, after consideration of the experience and capabilities of the applicant, determine whether it is appropriate to require the applicant to complete additional education or experience requirements to maintain the probationary certificate and, within a reasonable time period, transition to a full certificate. A person who holds a probationary certificate may only practice as a chemical dependency professional in a licensed or certified service provider, as defined in RCW 71.24.025. The department may place a reasonable time limit on a probationary certificate and may, if appropriate, require the applicant to pass a jurisprudence examination.

(c) The department must maintain and publish a list of credentials in other states and territories that the department has determined to have a scope of practice that is substantially equivalent to or greater than the scope of practice for certified chemical dependency professionals as established under this chapter. The department shall prioritize identifying and publishing the department's determination for the five states or territories that have historically had the most applicants for reciprocity under subsection (1) of this section with a scope of practice that is substantially equivalent to or greater than the scope of practice for certified chemical dependency professionals as established under this chapter.

Sec. 3. RCW 18.225.140 and 2001 c 251 s 14 are each amended to read as follows:

(1) An applicant holding a credential in another state may be licensed to practice in this state without examination if the secretary determines that the other state's credentialing standards are substantially equivalent to the licensing standards in this state.

(2)(a)(i) The department shall establish a reciprocity program for applicants for licensure as an advanced social worker, an independent clinical social worker, a mental health counselor, or a marriage and family therapist in Washington.

(ii) The reciprocity program applies to applicants for a license as an advanced social worker, an independent clinical social worker, a mental health counselor, or a marriage and family therapist who:

(A) Hold or have held within the past twelve months a credential in good standing from another state or territory of the United States which has a scope of practice that is substantially equivalent to or greater than the scope of practice for the corresponding license as established under this chapter; and

(B) Have no disciplinary record or disqualifying criminal history.

(b) The department shall issue a probationary license to an applicant who meets the requirements of (a)(ii) of this subsection. The department must determine what deficiencies, if any, exist between the education and experience requirements of the other state's credential and, after consideration of the experience and capabilities of the applicant, determine whether it is appropriate to require the applicant to complete additional education or experience requirements to maintain the probationary license and, within a reasonable time period, transition to a full license. A person who holds a probationary license may only practice in the relevant profession in a licensed or certified service provider, as defined in RCW 71.24.025. The department may place a reasonable time limit on a probationary license and may, if appropriate, require the applicant to pass a jurisprudential examination.

(c) The department must maintain and publish a list of credentials in other states and territories that the department has determined to have a scope of practice that is substantially equivalent to or greater than the scope of practice for licensed advanced social workers, independent clinical social workers, mental health counselors, or marriage and family therapists as established under this chapter. The department shall prioritize identifying and publishing the department's determination for the five states or territories that have historically had the most applicants for reciprocity under subsection (1) of this section with a scope of practice that is substantially equivalent to or greater than the scope of practice for licensed advanced social workers, independent clinical social workers, mental health counselors, and marriage and family therapists under this chapter.

***NEW SECTION. Sec. 4.** A new section is added to chapter 18.83 RCW to read as follows:

(1) The department must explore options for adoption of an interstate compact or compacts supporting license portability for professionals licensed under this chapter and report recommendations to the governor and legislature by November 1, 2020.

(2) This section expires June 30, 2022.

****Sec. 4 was vetoed. See message at end of chapter.***

***NEW SECTION. Sec. 5.** A new section is added to chapter 18.205 RCW to read as follows:

(1) The department must explore options for adoption of an interstate compact or compacts supporting license portability for professionals certified

under this chapter and report recommendations to the governor and legislature by November 1, 2020.

(2) This section expires June 30, 2022.

**Sec. 5 was vetoed. See message at end of chapter.*

NEW SECTION. Sec. 6. A new section is added to chapter 18.225 RCW to read as follows:

(1) The department must explore options for adoption of an interstate compact or compacts supporting license portability for professionals licensed under this chapter and report recommendations to the governor and legislature by November 1, 2020.

(2) This section expires June 30, 2022.

**Sec. 6 was vetoed. See message at end of chapter.*

Passed by the Senate April 23, 2019.

Passed by the House April 12, 2019.

Approved by the Governor May 9, 2019, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 13, 2019.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Sections 4, 5, and 6, Senate Bill No. 5054 entitled:

"AN ACT Relating to increasing the behavioral health workforce by establishing a reciprocity program to increase the portability of behavioral health licenses and certifications."

Senate Bill 5054 will help out-of-state applicants to more easily and quickly become integrated into Washington State's behavioral health workforce. Sections 4, 5 and 6 direct the Department of Health to conduct a study to explore options for adoption of an interstate compact or compacts supporting license portability for certain professionals. I agree with the intended purpose of the bill; however, the final budget did not provide funding for the Department to perform this study and the cost of this work cannot be absorbed.

For these reasons I have vetoed Sections 4, 5, and 6 of Senate Bill No. 5054.

With the exception of Sections 4, 5, and 6, Senate Bill No. 5054 is approved."

CHAPTER 352

[Engrossed Substitute Senate Bill 5383]

TINY HOUSES

AN ACT Relating to tiny houses; amending RCW 58.17.040, 35.21.684, 43.22.450, 19.27.035, and 35.21.278; adding a new section to chapter 35.21 RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. Tiny houses have become a trend across the nation to address the shortage of affordable housing. As tiny houses become more acceptable, the legislature finds that it is important to create space in the code for the regulation of tiny house siting. Individual cities and counties may allow tiny houses with wheels to be collected together as tiny house villages using the binding site plan method articulated in chapter 58.17 RCW.

The legislature recognizes that the International Code Council in 2018 has issued tiny house building code standards in Appendix Q of the International

Residential Code, which can provide a basis for the standards requested within this act.

Sec. 2. RCW 58.17.040 and 2004 c 239 s 1 are each amended to read as follows:

The provisions of this chapter shall not apply to:

- (1) Cemeteries and other burial plots while used for that purpose;
- (2) Divisions of land into lots or tracts each of which is one-one hundred twenty-eighth of a section of land or larger, or five acres or larger if the land is not capable of description as a fraction of a section of land, unless the governing authority of the city, town, or county in which the land is situated shall have adopted a subdivision ordinance requiring plat approval of such divisions: PROVIDED, That for purposes of computing the size of any lot under this item which borders on a street or road, the lot size shall be expanded to include that area which would be bounded by the center line of the road or street and the side lot lines of the lot running perpendicular to such center line;
- (3) Divisions made by testamentary provisions, or the laws of descent;
- (4) Divisions of land into lots or tracts classified for industrial or commercial use when the city, town, or county has approved a binding site plan for the use of the land in accordance with local regulations;
- (5) A division for the purpose of lease when no residential structure other than mobile homes, tiny houses or tiny houses with wheels as defined in section 5 of this act, or travel trailers are permitted to be placed upon the land when the city, town, or county has approved a binding site plan for the use of the land in accordance with local regulations;
- (6) A division made for the purpose of alteration by adjusting boundary lines, between platted or unplatted lots or both, which does not create any additional lot, tract, parcel, site, or division nor create any lot, tract, parcel, site, or division which contains insufficient area and dimension to meet minimum requirements for width and area for a building site;
- (7) Divisions of land into lots or tracts if: (a) Such division is the result of subjecting a portion of a parcel or tract of land to either chapter 64.32 or 64.34 RCW subsequent to the recording of a binding site plan for all such land; (b) the improvements constructed or to be constructed thereon are required by the provisions of the binding site plan to be included in one or more condominiums or owned by an association or other legal entity in which the owners of units therein or their owners' associations have a membership or other legal or beneficial interest; (c) a city, town, or county has approved the binding site plan for all such land; (d) such approved binding site plan is recorded in the county or counties in which such land is located; and (e) the binding site plan contains thereon the following statement: "All development and use of the land described herein shall be in accordance with this binding site plan, as it may be amended with the approval of the city, town, or county having jurisdiction over the development of such land, and in accordance with such other governmental permits, approvals, regulations, requirements, and restrictions that may be imposed upon such land and the development and use thereof. Upon completion, the improvements on the land shall be included in one or more condominiums or owned by an association or other legal entity in which the owners of units therein or their owners' associations have a membership or other legal or beneficial interest. This binding site plan shall be binding upon all now or

hereafter having any interest in the land described herein." The binding site plan may, but need not, depict or describe the boundaries of the lots or tracts resulting from subjecting a portion of the land to either chapter 64.32 or 64.34 RCW. A site plan shall be deemed to have been approved if the site plan was approved by a city, town, or county: (i) In connection with the final approval of a subdivision plat or planned unit development with respect to all of such land; or (ii) in connection with the issuance of building permits or final certificates of occupancy with respect to all of such land; or (iii) if not approved pursuant to (i) and (ii) of this subsection (7)(e), then pursuant to such other procedures as such city, town, or county may have established for the approval of a binding site plan;

(8) A division for the purpose of leasing land for facilities providing personal wireless services while used for that purpose. "Personal wireless services" means any federally licensed personal wireless service. "Facilities" means unstaffed facilities that are used for the transmission or reception, or both, of wireless communication services including, but not necessarily limited to, antenna arrays, transmission cables, equipment shelters, and support structures; and

(9) A division of land into lots or tracts of less than three acres that is recorded in accordance with chapter 58.09 RCW and is used or to be used for the purpose of establishing a site for construction and operation of consumer-owned or investor-owned electric utility facilities. For purposes of this subsection, "electric utility facilities" means unstaffed facilities, except for the presence of security personnel, that are used for or in connection with or to facilitate the transmission, distribution, sale, or furnishing of electricity including, but not limited to, electric power substations. This subsection does not exempt a division of land from the zoning and permitting laws and regulations of cities, towns, counties, and municipal corporations. Furthermore, this subsection only applies to electric utility facilities that will be placed into service to meet the electrical needs of a utility's existing and new customers. New customers are defined as electric service locations not already in existence as of the date that electric utility facilities subject to the provisions of this subsection are planned and constructed.

Sec. 3. RCW 35.21.684 and 2009 c 79 s 1 are each amended to read as follows:

(1) A city or town may not adopt an ordinance that has the effect, directly or indirectly, of discriminating against consumers' choices in the placement or use of a home in such a manner that is not equally applicable to all homes. Homes built to 42 U.S.C. Sec. 5401-5403 standards (as amended in 2000) must be regulated for the purposes of siting in the same manner as site built homes, factory built homes, or homes built to any other state construction or local design standard. However, except as provided in subsection (2) of this section, any city or town may require that:

(a) A manufactured home be a new manufactured home;

(b) The manufactured home be set upon a permanent foundation, as specified by the manufacturer, and that the space from the bottom of the home to the ground be enclosed by concrete or an approved concrete product which can be either load bearing or decorative;

(c) The manufactured home comply with all local design standards applicable to all other homes within the neighborhood in which the manufactured home is to be located;

(d) The home is thermally equivalent to the state energy code; and

(e) The manufactured home otherwise meets all other requirements for a designated manufactured home as defined in RCW 35.63.160.

A city with a population of one hundred thirty-five thousand or more may choose to designate its building official as the person responsible for issuing all permits, including department of labor and industries permits issued under chapter 43.22 RCW in accordance with an interlocal agreement under chapter 39.34 RCW, for alterations, remodeling, or expansion of manufactured housing located within the city limits under this section.

(2) A city or town may not adopt an ordinance that has the effect, directly or indirectly, of restricting the location of manufactured/mobile homes in manufactured/mobile home communities that were legally in existence before June 12, 2008, based exclusively on the age or dimensions of the manufactured/mobile home. This does not preclude a city or town from restricting the location of a manufactured/mobile home in manufactured/mobile home communities for any other reason including, but not limited to, failure to comply with fire, safety, or other local ordinances or state laws related to manufactured/mobile homes.

(3) Except as provided under subsection (4) of this section, a city or town may not adopt an ordinance that has the effect, directly or indirectly, of preventing the entry or requiring the removal of a recreational vehicle or tiny house with wheels as defined in section 5 of this act used as a primary residence in manufactured/mobile home communities.

(4) Subsection (3) of this section does not apply to any local ordinance or state law that:

(a) Imposes fire, safety, or other regulations related to recreational vehicles;

(b) Requires utility hookups in manufactured/mobile home communities to meet state or federal building code standards for manufactured/mobile home communities; or

(c) Includes both of the following provisions:

(i) A recreational vehicle or tiny house with wheels as defined in section 5 of this act must contain at least one internal toilet and at least one internal shower; and

(ii) If the requirement in (c)(i) of this subsection is not met, a manufactured/mobile home community must provide toilets and showers.

(5) For the purposes of this section, "manufactured/mobile home community" has the same meaning as in RCW 59.20.030.

(6) This section does not override any legally recorded covenants or deed restrictions of record.

(7) This section does not affect the authority granted under chapter 43.22 RCW.

Sec. 4. RCW 43.22.450 and 2001 c 335 s 8 are each amended to read as follows:

Whenever used in RCW 43.22.450 through 43.22.490:

(1) "Department" means the Washington state department of labor and industries;

(2) "Approved" means approved by the department;

(3) "Factory built housing" means any structure, including a factory built tiny house with or without a chassis (wheels), designed primarily for human occupancy other than a manufactured or mobile home the structure or any room of which is either entirely or substantially prefabricated or assembled at a place other than a building site;

(4) "Install" means the assembly of factory built housing or factory built commercial structures at a building site;

(5) "Building site" means any tract, parcel or subdivision of land upon which factory built housing or a factory built commercial structure is installed or is to be installed;

(6) "Local enforcement agency" means any agency of the governing body of any city or county which enforces laws or ordinances governing the construction of buildings;

(7) "Commercial structure" means a structure designed or used for human habitation, or human occupancy for industrial, educational, assembly, professional or commercial purposes.

NEW SECTION. Sec. 5. A new section is added to chapter 35.21 RCW to read as follows:

(1) A city or town may adopt an ordinance to regulate the creation of tiny house communities.

(2) The owner of the land upon which the community is built shall make reasonable accommodation for utility hookups for the provision of water, power, and sewerage services and comply with all other duties in chapter 59.20 RCW.

(3) Tenants of tiny house communities are entitled to all rights and subject to all duties and penalties required under chapter 59.20 RCW.

(4) For purposes of this section:

(a) "Tiny house" and "tiny house with wheels" means a dwelling to be used as permanent housing with permanent provisions for living, sleeping, eating, cooking, and sanitation built in accordance with the state building code.

(b) "Tiny house communities" means real property rented or held out for rent to others for the placement of tiny houses with wheels or tiny houses utilizing the binding site plan process in RCW 58.17.035.

Sec. 6. RCW 19.27.035 and 2018 c 207 s 2 are each amended to read as follows:

The building code council shall:

(1)(a) By July 1, 2019, adopt a revised process for the review of proposed statewide amendments to the codes enumerated in RCW 19.27.031; and

((2)) (b) Adopt a process for the review of proposed or enacted local amendments to the codes enumerated in RCW 19.27.031 as amended and adopted by the state building code council.

(2) By December 31, 2019, adopt building code standards specific for tiny houses.

Sec. 7. RCW 35.21.278 and 2012 c 218 s 1 are each amended to read as follows:

(1) Without regard to competitive bidding laws for public works, a county, city, town, school district, metropolitan park district, park and recreation district, port district, or park and recreation service area may contract with a chamber of

commerce, a service organization, a community, youth, or athletic association, or other similar association located and providing service in the immediate neighborhood, for drawing design plans, making improvements to a park, school playground, public square, or port habitat site, installing equipment or artworks, or providing maintenance services for a facility or facilities as a community or neighborhood project, or environmental stewardship project, and may reimburse the contracting association its expense. The contracting association may use volunteers in the project and provide the volunteers with clothing or tools; meals or refreshments; accident/injury insurance coverage; and reimbursement of their expenses. The consideration to be received by the public entity through the value of the improvements, artworks, equipment, or maintenance shall have a value at least equal to three times that of the payment to the contracting association. All payments made by a public entity under the authority of this section for all such contracts in any one year shall not exceed twenty-five thousand dollars or two dollars per resident within the boundaries of the public entity, whichever is greater.

(2) A county, city, town, school district, metropolitan park district, park and recreation district, or park and recreation service area may ratify an agreement, which qualifies under subsection (1) of this section and was made before June 9, 1988.

(3) Without regard to competitive bidding laws for public works, a school district, institution of higher education, or other governmental entity that includes training programs for students may contract with a community service organization, nonprofit organization, or other similar entity, to build tiny houses for low-income housing, if the students participating in the building of the tiny houses are in:

(a) Training in a community and technical college construction or construction management program;

(b) A career and technical education program;

(c) A state recognized apprenticeship preparation program; or

(d) Training under a construction career exploration program for high school students administered by a nonprofit organization.

Passed by the Senate April 22, 2019.

Passed by the House April 10, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 353

[Substitute Senate Bill 5552]

POLLINATOR HEALTH--HONEY BEES

AN ACT Relating to the protection of all pollinators, including honey bees; amending RCW 17.10.145, 79.10.120, 79.10.200, 79.10.280, 79A.05.305, 47.40.040, 47.40.100, and 79A.15.060; adding a new section to chapter 43.23 RCW; adding a new section to chapter 77.12 RCW; adding a new section to chapter 15.58 RCW; adding new sections to chapter 35.21 RCW; adding new sections to chapter 35A.21 RCW; adding a new section to chapter 36.34 RCW; creating new sections; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that more than three-fourths of the world's flowering plants and about thirty-five percent of the world's food crops depend on pollinators to reproduce. In Washington state, honey bees and other pollinators are responsible for the production of tree fruits, small fruits, and other crops, with the value in 2016 of crops pollinated by honey bees exceeding three billion dollars. The legislature further finds that, beyond agriculture, pollinators are keystone species in the terrestrial ecosystems of Washington, with fruit and seeds derived from insect pollination providing a major part of the diet of numerous bird and mammal species. The state has experienced pollinator habitat loss through property conversion, fragmentation, and degradation of land, and with the state's population continuing to grow at a fast pace, the additional loss of habitat is a significant concern.

Therefore, the legislature intends by this act to initiate a concerted effort to protect and expand the habitat upon which pollinators depend, by providing technical and financial assistance to public and private landowners, and by coordinating with other state agencies and local governments in promoting practices to ensure sustainable, healthy populations of managed and native pollinators.

NEW SECTION. Sec. 2. A new section is added to chapter 43.23 RCW to read as follows:

The department shall establish a program to promote and protect pollinator habitat and the health and sustainability of pollinator species. As funds are made available, the program must provide technical and financial assistance to state agencies, local governments, and private landowners to implement practices that promote habitat for managed pollinators, as well as beekeeper and grower best management practices. The program must be administered in coordination with the apiary program established in chapter 15.60 RCW, the honey bee commission authorized in chapter 15.62 RCW, and programs administered by the conservation commission and conservation districts.

NEW SECTION. Sec. 3. (1) The department of agriculture shall create and chair a pollinator health task force. The department of agriculture shall appoint the members of the task force, which must include but is not limited to representatives of the following interests, organizations, and state agencies:

- (a) The conservation commission;
- (b) The department of natural resources;
- (c) The department of fish and wildlife;
- (d) The state parks and recreation commission;
- (e) The Washington state department of transportation;
- (f) The state noxious weed control board;
- (g) The tree fruit industry;
- (h) The seed industry;
- (i) The berry industry;
- (j) Other agricultural industries dependent upon pollinators;
- (k) Washington State University;
- (l) Pesticide distributors and applicators;
- (m) Conservation organizations;
- (n) Organizations representing beekeepers or apiarists;

(o) A member of the public from west of the crest of the Cascade mountains; and

(p) A member of the public from east of the crest of the Cascade mountains.

(2) One or more representatives of Washington tribes must also be invited to participate on the task force.

(3) One youth representative from an organization that encourages students to engage in agricultural education must also be invited to participate on the task force when available.

(4) The task force shall build upon existing pollinator and pollinator habitat plans at the national and state level including, but not limited to, the state-managed pollinator plan, to develop a state pollinator health strategy that includes, but is not limited to, the following elements:

(a) A research action plan to focus state efforts on understanding, preventing, and recovering from pollinator losses;

(b) A plan to expand and coordinate public education programs outlining steps that individuals and businesses can take to help address the loss of pollinators;

(c) A plan to expand research on and education related to varroa mites and other pests and diseases that affect bees;

(d) Recommendations for developing public and private partnerships to encourage pollinator protection and increase the quality and amount of habitat and forage for pollinators;

(e) Specific targets and plans that state agencies should adopt to enhance pollinator habitat on their managed lands and facilities;

(f) Recommendations for promoting seed banks and native plants beneficial for pollinators;

(g) Recommendations for developing a plan to improve communication between beekeepers, landowners, and pesticide applicators, including a draft policy for the director of agriculture to consider that would allow the release of contact information for registered apiarists when requested by a landowner or pesticide applicator in order to protect the apiary when possible; and

(h) Recommendations for legislative, administrative, or budgetary actions necessary to implement the strategy.

(5) The department of agriculture shall provide the strategy to the appropriate committees of the senate and house of representatives by December 31, 2020, in compliance with RCW 43.01.036.

(6) This section expires January 1, 2021.

Sec. 4. RCW 17.10.145 and 2016 c 44 s 2 are each amended to read as follows:

(1) All state agencies shall control noxious weeds on lands they own, lease, or otherwise control through integrated pest management practices. Agencies shall develop plans in cooperation with county noxious weed control boards to control noxious weeds in accordance with standards in this chapter.

(2) All state agencies' lands must comply with this chapter, regardless of noxious weed control efforts on adjacent lands.

(3) While conducting planned projects to ensure compliance with this chapter, all agencies must give preference, when deemed appropriate by the acting agency for the project and targeted resource management goals, to replacing (~~pollen-rich or nectar-rich~~) noxious weeds with native forage plants

that are pollen-rich or nectar-rich and beneficial for all pollinators, including honey bees.

Sec. 5. RCW 79.10.120 and 2014 c 114 s 4 are each amended to read as follows:

Multiple uses additional to and compatible with those basic activities necessary to fulfill the financial obligations of trust management may include but are not limited to:

- (1) Recreational areas;
- (2) Recreational trails for both vehicular and nonvehicular uses developed or maintained consistent with RCW 79.10.500;
- (3) Special educational or scientific studies;
- (4) Experimental programs by the various public agencies;
- (5) Special events;
- (6) Hunting and fishing and other sports activities;
- (7) Maintenance of pollinator habitat and habitat beneficial for the feeding, nesting, and reproduction of all pollinators, including honey bees;
- (8) Nonconsumptive wildlife activities as defined by the board of natural resources;
- ~~((8))~~ (9) Maintenance of scenic areas;
- ~~((9))~~ (10) Maintenance of historical sites;
- ~~((10))~~ (11) Municipal or other public watershed protection;
- ~~((11))~~ (12) Greenbelt areas;
- ~~((12))~~ (13) Public rights-of-way;
- ~~((13))~~ (14) Other uses or activities by public agencies(~~(?)~~).

If such additional uses are not compatible with the financial obligations in the management of trust land they may be permitted only if there is compensation from such uses satisfying the financial obligations.

Sec. 6. RCW 79.10.200 and 2003 c 334 s 542 are each amended to read as follows:

The department may adopt a multiple use land resource allocation plan for all or portions of the lands under its jurisdiction providing for the identification and establishment of areas of land uses and identifying those uses which are best suited to achieve the purposes of RCW 79.10.060, 79.10.070, 79.10.100 through 79.10.120, 79.10.130, 79.10.200 through 79.10.330, 79.44.003, and ~~((79.90.456))~~ 79.105.050. Such plans shall take into consideration the various ecological conditions, elevations, soils, natural features, vegetative cover, pollinator habitat, climate, geographical location, values, public use potential, accessibility, economic uses, recreational potentials, local and regional land use plans or zones, local, regional, state, and federal comprehensive land use plans or studies, and all other factors necessary to achieve the purposes of RCW 79.10.060, 79.10.070, 79.10.100 through 79.10.120, 79.10.130, 79.10.200 through 79.10.330, 79.44.003, and ~~((79.90.456))~~ 79.105.050.

Sec. 7. RCW 79.10.280 and 2003 c 334 s 545 are each amended to read as follows:

- (1) The department shall design expansion of its land use data bank to include additional information that will assist in the formulation, evaluation, and updating of intermediate and long-range goals and policies for land use, population growth and distribution, urban expansion, open space, resource

preservation and utilization, and other factors which shape statewide development patterns and significantly influence the quality of the state's environment. The system shall be designed to permit inclusion of other lands in the state and will do so as financing and time permit.

(2) Such data bank shall contain any information relevant to the future growth of agriculture, forestry, industry, business, residential communities, and recreation; the wise use of land and other natural resources which are in accordance with their character and adaptability; the conservation and protection of the soil, air, water, pollinator habitat, and forest resources; the protection of the beauty of the landscape; and the promotion of the efficient and economical uses of public resources.

The information shall be assembled from all possible sources, including but not limited to, the federal government and its agencies, all state agencies, all political subdivisions of the state, all state operated universities and colleges, and any source in the private sector. All state agencies, all political subdivisions of the state, and all state universities and colleges are directed to cooperate to the fullest extent in the collection of data in their possession. Information shall be collected on all areas of the state but collection may emphasize one region at a time.

(3) The data bank shall make maximum use of computerized or other advanced data storage and retrieval methods. The department is authorized to engage consultants in data processing to ensure that the data bank will be as complete and efficient as possible.

(4) The data shall be made available for use by any governmental agency, research organization, university or college, private organization, or private person as a tool to evaluate the range of alternatives in land and resource planning in the state.

NEW SECTION. Sec. 8. A new section is added to chapter 77.12 RCW to read as follows:

The department must implement practices necessary to maintain pollinator habitat on department-owned and managed agricultural and grazing lands where practicable. For the purposes of this section, "pollinator habitat" means an area of land that is or may be developed as habitat beneficial for the feeding, nesting, and reproduction of all pollinators, including honey bees, as determined by the department.

Sec. 9. RCW 79A.05.305 and 1984 c 82 s 2 are each amended to read as follows:

The legislature declares that it is the continuing policy of the state of Washington to set aside and manage certain lands within the state for public park purposes. To comply with public park purposes, these lands shall be acquired and managed to:

- (1) Maintain and enhance ecological, aesthetic, and recreational purposes;
- (2) Preserve and maintain mature and old-growth forests containing trees of over ninety years and other unusual ecosystems as natural forests or natural areas, which may also be used for interpretive purposes;
- (3) Protect cultural and historical resources, locations, and artifacts, which may also be used for interpretive purposes;

(4) Provide a variety of recreational opportunities to the public, including but not limited to use of developed recreation areas, trails, and natural areas;

(5) Preserve and maintain habitat which will protect and promote endangered, threatened, and sensitive plants, ~~((and))~~ endangered, threatened, and sensitive animal species, and habitat beneficial for the feeding, nesting, and reproduction of all pollinators, including honey bees; and

(6) Encourage public participation in the formulation and implementation of park policies and programs.

Sec. 10. RCW 47.40.040 and 1961 c 13 s 47.40.040 are each amended to read as follows:

Each application for a permit to plant, cultivate and grow any hedge, shade or ornamental trees or shrubbery along or upon the right-of-way of any state highway or improve such right-of-way shall be in writing, signed by the applicant, and shall describe the state highway or portion thereof along or upon the right-of-way of which permit to plant, cultivate, grow or improve is sought, by name, number, or other reasonable description, and the lands bordering thereon by governmental subdivisions, and shall state the names, places or residence and post office addresses of the applicant or applicants owning the land abutting upon such state highway or the name of the person, firm, corporation, association or organization applying for the permit and the names of its officers and their places of residence and their post office addresses, and shall state definitely the purpose for which the permit is sought, giving a description of the kind of hedge, or variety of shrubbery or trees desired to be planted or the kinds of crops to be grown, or improvement to be made, with a diagram illustrating the location and number of hedges, trees or shrubs or the area of cultivation desired or plans of the improvement proposed to be made. Whenever possible, applicants should use native forage plants that are pollen-rich or nectar-rich and beneficial for all pollinators, including honey bees, in order to develop habitat beneficial for the feeding, nesting, and reproduction of pollinators.

Sec. 11. RCW 47.40.100 and 1995 c 106 s 1 are each amended to read as follows:

(1)(a) The department of transportation shall establish a statewide adopt-a-highway program. The purpose of the program is to provide volunteers and businesses an opportunity to contribute to a cleaner environment, enhanced roadsides, and protection of wildlife habitats. Participating volunteers and businesses shall adopt department-designated sections of state highways, rest areas, park and ride lots, intermodal facilities, and any other facilities the department deems appropriate, in accordance with rules adopted by the department. The department may elect to coordinate a consortium of participants for adopt-a-highway projects.

(b) The adopt-a-highway program shall include, at a minimum, litter control for the adopted section, and may include additional responsibilities such as planting and maintaining vegetation, controlling weeds, graffiti removal, and any other roadside improvement or clean-up activities the department deems appropriate. Whenever possible, when planting and maintaining vegetation, volunteers and businesses should use native forage plants that are pollen-rich or nectar-rich and beneficial for all pollinators, including honey bees, in order to develop habitat beneficial for the feeding, nesting, and reproduction of

pollinators. The department shall not accept adopt-a-highway proposals that would have the effect of terminating classified employees or classified employee positions.

(2) A volunteer group or business choosing to participate in the adopt-a-highway program must submit a proposal to the department. The department shall review the proposal for consistency with departmental policy and rules. The department may accept, reject, or modify an applicant's proposal.

(3) The department shall seek partnerships with volunteer groups and businesses to facilitate the goals of this section. The department may solicit funding for the adopt-a-highway program that allows private entities to undertake all or a portion of financing for the initiatives. The department shall develop guidelines regarding the cash, labor, and in-kind contributions to be performed by the participants.

(4) An organization whose name: (a) Endorses or opposes a particular candidate for public office, (b) advocates a position on a specific political issue, initiative, referendum, or piece of legislation, or (c) includes a reference to a political party shall not be eligible to participate in the adopt-a-highway program.

(5) In administering the adopt-a-highway program, the department shall:

(a) Provide a standardized application form, registration form, and contractual agreement for all participating groups. The forms shall notify the prospective participants of the risks and responsibilities to be assumed by the department and the participants;

(b) Require all participants to be at least fifteen years of age;

(c) Require parental consent for all minors;

(d) Require at least one adult supervisor for every eight minors;

(e) Require one designated leader for each participating organization, unless the department chooses to coordinate a consortium of participants;

(f) Assign each participating organization a section or sections of state highway, or other state-owned transportation facilities, for a specified period of time;

(g) Recognize the efforts of a participating organization by erecting and maintaining signs with the organization's name on both ends of the organization's section of highway;

(h) Provide appropriate safety equipment. Safety equipment issued to participating groups must be returned to the department upon termination of the applicable adopt-a-highway agreement;

(i) Provide safety training for all participants;

(j) Pay any and all premiums or assessments required under RCW 51.12.035 to secure medical aid benefits under chapter 51.36 RCW for all volunteers participating in the program;

(k) Require participating businesses to pay all employer premiums or assessments required to secure medical aid benefits under chapter 51.36 RCW for all employees or agents participating in the program;

(l) Maintain records of all injuries and accidents that occur;

(m) Adopt rules that establish a process to resolve any question of an organization's eligibility to participate in the adopt-a-highway program;

(n) Obtain permission from property owners who lease right-of-way before allowing an organization to adopt a section of highway on such leased property; and

(o) Establish procedures and guidelines for the adopt-a-highway program.

(6) Nothing in this section affects the rights or activities of, or agreements with, adjacent landowners, including the use of rights-of-way and crossings, nor impairs these rights and uses by the placement of signs.

Sec. 12. RCW 79A.15.060 and 2016 c 149 s 6 are each amended to read as follows:

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

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

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

(4) The board may not approve a local project where the local agency share is less than the amount to be awarded from the habitat conservation account.

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

(a) For critical habitat and natural areas proposals:

(i) Multiple benefits for the project;

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

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

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

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

(vi) Immediacy of threat to the site;

(vii) Uniqueness of the site;

(viii) Diversity of species using the site;

(ix) Quality of the habitat;

(x) Long-term viability of the site;

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

(xii) Enhancement of existing public property;

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

(xiv) Educational and scientific value of the site;

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

(xvi) The statewide significance of the site;

(xvii) Habitat benefits for the feeding, nesting, and reproduction of all pollinators, including honey bees.

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

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

(ii) Proximity to other wildlife habitat;

(iii) Potential for public use; and

(iv) Potential for use by special needs populations.

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

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

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

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

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

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

(vi) Whether the quality of the habitat is improved or, for projects including restoration or enhancement, the potential for restoring quality habitat including linkage of the site to other high quality habitat;

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

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

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

(x) Whether the project provides habitat benefits for the feeding, nesting, and reproduction of all pollinators, including honey bees.

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

(6) Before November 1st of each even-numbered year, the board shall recommend to the governor a prioritized list of all projects to be funded under RCW 79A.15.040. The governor may remove projects from the list

recommended by the board and shall submit this amended list in the capital budget request to the legislature. The list shall include, but not be limited to, a description of each project and any particular match requirement, and describe for each project any anticipated restrictions upon recreational activities allowed prior to the project.

NEW SECTION. Sec. 13. A new section is added to chapter 15.58 RCW to read as follows:

The department must develop educational materials regarding the best practices for avoiding adverse effects from pesticides on populations of bees, honey bees, and other pollinating insects. The educational materials must include, but not be limited to, measures that anyone applying pesticides can take to protect bees, honey bees, and other pollinating insects. The department must design requirements to ensure that any pesticide applicator applying or supervising the application of a restricted-use pesticide is highly knowledgeable regarding alternatives to, the appropriateness of, and precautions for, the use of restricted-use pesticides that may be injurious to the health of bees, honey bees, and other pollinating insects.

NEW SECTION. Sec. 14. A new section is added to chapter 35.21 RCW to read as follows:

(1) A city or town may, by ordinance, establish an urban agriculture zone within the boundaries of the city or town.

(2) To establish an urban agriculture zone, the city or town must conduct at least one public hearing on the question of whether to establish the urban agriculture zone.

(3) An ordinance adopted pursuant to this section must not prohibit the use of structures that support agricultural activity including, without limitation, apiaries, toolsheds, greenhouses, produce stands, and instructional spaces.

NEW SECTION. Sec. 15. A new section is added to chapter 35.21 RCW to read as follows:

A city or town may authorize, by ordinance, the use of vacant or blighted city land for the purpose of community gardening under the terms and conditions established for the use of the city land set forth by the ordinance. The ordinance may establish fees for the use of the city land, provide requirements for liability insurance, and provide requirements for a deposit to use the city land, which may be refunded. The ordinance must require that a portion of the community garden include habitat beneficial for the feeding, nesting, and reproduction of all pollinators, including honey bees.

NEW SECTION. Sec. 16. A new section is added to chapter 35A.21 RCW to read as follows:

(1) A code city may, by ordinance, establish an urban agriculture zone within the boundaries of the code city.

(2) To establish an urban agriculture zone, the code city must conduct at least one public hearing on the question of whether to establish the urban agriculture zone.

(3) An ordinance adopted pursuant to this section must not prohibit the use of structures that support agricultural activity including, without limitation, apiaries, toolsheds, greenhouses, produce stands, and instructional spaces.

NEW SECTION. Sec. 17. A new section is added to chapter 35A.21 RCW to read as follows:

A code city may authorize, by ordinance, the use of vacant or blighted city land for the purpose of community gardening under the terms and conditions established for the use of the city land set forth by the ordinance. The ordinance may establish fees for the use of the city land, provide requirements for liability insurance, and provide requirements for a deposit to use the city land, which may be refunded. The ordinance must require that a portion of the community garden include habitat beneficial for the feeding, nesting, and reproduction of all pollinators, including honey bees.

NEW SECTION. Sec. 18. A new section is added to chapter 36.34 RCW to read as follows:

A county may, by ordinance, authorize the use of vacant or blighted county land for the purpose of community gardening under the terms and conditions established for the use of the county land set forth by the ordinance. The ordinance may establish fees for the use of the county land, provide requirements for liability insurance, and provide requirements for a deposit to use the county land, which may be refunded. The ordinance must require that a portion of the community garden include habitat beneficial for the feeding, nesting, and reproduction of all pollinators, including honey bees.

NEW SECTION. Sec. 19. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2019, in the omnibus appropriations act, this act is null and void.

Passed by the Senate April 22, 2019.

Passed by the House April 15, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 354

[Engrossed Substitute Senate Bill 5579]

CRUDE OIL BY RAIL--VAPOR PRESSURE

AN ACT Relating to the volatility of crude oil received in the state by rail; amending RCW 90.56.565; adding a new section to chapter 90.56 RCW; adding a new section to chapter 81.44 RCW; and prescribing penalties.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 90.56 RCW to read as follows:

(1)(a) A facility constructed or permitted after January 1, 2019, may not load or unload crude oil into or from a rail tank car unless the oil has a vapor pressure of less than nine pounds per square inch.

(b) A facility may not load or unload crude oil into or from a rail tank car unless the oil has a vapor pressure of less than nine pounds per square inch beginning two years after the volume of crude oil transported by rail to the facility for a calendar year as reported under RCW 90.56.565 has increased more than ten percent above the volume reported for calendar year 2018.

(2) The director may impose a penalty of up to twenty-five hundred dollars per day per rail tank car or the equivalent volume of oil for violations of this

section. Any penalty recovered pursuant to this section must be credited to the coastal protection fund created in RCW 90.48.390.

(3) This section does not: (a) Prohibit a railroad car carrying crude oil from entering Washington; (b) require a railroad car carrying crude oil to stop before entering Washington; or (c) require a railroad car carrying crude oil to be checked for vapor pressure before entering Washington.

Sec. 2. RCW 90.56.565 and 2015 c 274 s 8 are each amended to read as follows:

(1)(a) A facility that receives crude oil from a railroad car must provide advance notice to the department that the facility will receive crude oil from a railroad car, as provided in this section. The advance notice must include the route taken to the facility within the state, if known, and the scheduled time, location, volume, region per bill of lading, type, vapor pressure, and gravity as measured by standards developed by the American petroleum institute, of crude oil received. Each week, a facility that provides advance notice under this section must provide the required information regarding the scheduled arrival of railroad cars carrying crude oil to be received by the facility in the succeeding seven-day period. A facility is not required to provide advance notice when there is no receipt of crude oil from a railroad car scheduled for a seven-day period.

(b) Twice per year, pipelines that transport crude oil must report to the department the following information about the crude oil transported by the pipeline through the state: The volume of crude oil and the state or province of origin of the crude oil. This report must be submitted each year by July 31st for the period January 1st through June 30th and by January 31st for the period July 1st through December 31st.

(2) The department may share information provided by a facility through the advance notice system established in this section with the state emergency management division and any county, city, tribal, port, or local government emergency response agency upon request.

(3) The department must publish information collected under this section on a quarterly basis on the department's internet web site. With respect to the information reported under subsection (1)(a) of this section, the information published by the department must be aggregated on a statewide basis by route through the state, by week, and by type of crude oil. The report may also include other information available to the department including, but not limited to, place of origin, modes of transport, number of railroad cars delivering crude oil, and number and volume of spills during transport and delivery.

(4) To further strengthen rail safety and the transportation of crude oil, the department must provide to the utilities and transportation commission data reported by facilities on the characteristics, volatility, vapor pressure, and volume of crude oil transported by rail, as required under subsection (1)(a) of this section.

(5) A facility providing advance notice under this section is not responsible for meeting advance notice time frame requirements under subsection (1) of this section in the event that the schedule of arrivals of railroad cars carrying crude oil changes during a seven-day period.

~~((5))~~ (6) Consistent with the requirements of chapter 42.56 RCW, the department and any state, local, tribal, or public agency that receives information provided under this section may not disclose any such information to the public

or to nongovernmental entities that contains proprietary, commercial, or financial information unless that information is aggregated. The requirement for aggregating information does not apply when information is shared by the department with emergency response agencies as provided in subsection (2) of this section.

~~((6))~~ (7) The department shall adopt rules to implement this section. The advance notice system required in this section must be consistent with the oil transfer reporting system adopted by the department pursuant to RCW 88.46.165.

NEW SECTION. Sec. 3. A new section is added to chapter 81.44 RCW to read as follows:

(1) The commission shall, for the purposes of targeting high-risk inspections, incorporate data received from the department of ecology as required under RCW 90.56.565(4) in the development of its annual work plan and inspection activity.

(2) Nothing in this section is intended to interfere with or prevent the participation of the commission in the federal railroad administration's state rail safety participation program.

Passed by the Senate April 22, 2019.

Passed by the House April 12, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 355

[Substitute Senate Bill 5597]

AERIAL APPLICATION OF HERBICIDES ON FORESTLANDS--WORK GROUP

AN ACT Relating to creating a work group on aerial herbicide applications in forestlands; creating new sections; and providing expiration dates.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. (1)(a) The legislature finds that forest managers, state agencies, and the broader community share an interest in minimizing human and environmental exposure to herbicides. Forestland owners have made significant gains in the protection of riparian and wetland areas along the state's waterways, as well as protecting the health and safety of the public and forest workers, through a combination of scientific advancements, ongoing education and training, improved technologies, and proper monitoring and regulation under the forests and fish statute and the associated forest practices rules.

(b) The legislature further finds that while the use of herbicides is an important tool to the timber industry, the use of chemicals should be integrated within a broader pest management approach. The legislature finds that the research, development, and feasibility of nontraditional control methods, along with methods already in use, could result in a more integrated pest management approach for forest management.

(2) This section expires December 31, 2020.

NEW SECTION. Sec. 2. (1) A work group on the aerial application of herbicides on state and private forestlands is established to review all existing best management practices and, if necessary, develop recommendations for

improving the best management practices for aerial application of herbicides on state and private forestlands, including the criteria to be used in evaluating best management practices.

(2) The work group shall:

(a) Review the roles of all management and regulatory agencies in approving herbicides for use and application on forestlands in Washington and review existing state and federal programs, policies, and regulations concerning aerial application of herbicides on forestlands;

(b) Review current herbicide application technology in the state and throughout the nation to increase herbicide application accuracy and other best management practices to minimize drift and exposure of humans, fish, and wildlife as well impact on drinking water, surface waters, and wetland areas;

(c) Review research, reports, and data from government agencies, research institutions, nongovernmental organizations, and landowners regarding the most frequently used herbicides in forest practices, to inform the development and update of strategies related to herbicides management on forestlands; and

(d) Develop recommendations, if appropriate, for managing working forestlands through an integrated pest management approach that combines traditional chemical and other vegetative control methods as well as other silvicultural practices to protect resource values from pests, while minimizing the effect on nontarget species as well as ensuring the protection of public safety and human health, while still offering effective control that is economically feasible on a commercial forestry scale. Recommendations must consider the toxicity, mobility, and bioaccumulation of any proposed alternatives as compared to traditional operations.

(3)(a) The work group is composed of:

(i) One member and one alternate from each of the two largest caucuses in the senate, who must be appointed by the majority leader and minority leader of the senate;

(ii) One member and one alternate from each of the two largest caucuses in the house of representatives, who must be appointed by the speaker and minority leader of the house of representatives;

(iii) One senior level management representative from each of the following agencies:

(A) The department of agriculture;

(B) The department of health;

(C) The department of natural resources;

(D) The department of fish and wildlife; and

(E) The department of ecology;

(iv) One representative of Washington State University pesticide safety education program;

(v) One representative from the Pacific Northwest agricultural safety and health center at the University of Washington; and

(vi) Representatives from the following groups, appointed by the consensus of the cochairs:

(A) Two industrial forestland owners with one from the west of the crest of the Cascade mountains and one from east of the crest of the Cascade mountains;

(B) One representative of small forestland owners;

(C) One representative of large-scale organic farming;

- (D) One representative of aerial applicators;
- (E) Three representatives of environmental or community interests;
- (F) One representative with expertise in noxious weed control; and
- (G) One representative with pesticide registrant expertise in forest herbicides.

(b) Representatives of Washington tribes that are involved in timber production must be invited to participate on the work group.

(c) If a member has not been designated for a position set forth in this section, that position may not be counted for purposes of determining a quorum.

(4) The work group must be cochaired by one representative each from the department of agriculture and the department of natural resources.

(5) Staff support for the members of the work group must be provided by the departments of natural resources and agriculture.

(6) Legislative members of the work group are reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members of the work group are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for nonlegislative members is subject to chapter 43.03 RCW.

(7) The work group shall provide a report that includes any findings, recommendations, and draft legislation, to the governor and the legislature consistent with RCW 43.01.036, by December 31, 2019.

(8) This section expires December 31, 2020.

Passed by the Senate April 22, 2019.

Passed by the House April 16, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 356

[Engrossed Substitute Senate Bill 5600]

RESIDENTIAL TENANTS--VARIOUS PROVISIONS

AN ACT Relating to residential tenant protections; amending RCW 59.12.030, 59.18.410, 59.18.390, 59.18.365, 59.18.290, 59.18.055, 43.31.605, and 43.31.615; reenacting and amending RCW 59.18.030; adding new sections to chapter 59.18 RCW; creating new sections; and prescribing penalties.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. It is declared to be the public policy of the state and a recognized governmental function to assist residents who are experiencing a temporary crisis in retaining stable housing, and by so doing to contribute to the general welfare. Decent housing for the people of Washington state is a most important public concern. An escalation of rents and scarcity of housing supply have made it difficult for many Washingtonians to obtain stable housing, especially if they lose housing after experiencing an extraordinary life event that temporarily leaves them without resources and income. It is the long-standing practice of the state to make rental assistance available in many such urgent situations, and it is the intent of the legislature to provide a payment on the tenant's behalf to the landlord in certain eviction proceedings to give the tenant additional time to access resources that allow the tenants to stay in their home.

Sec. 2. RCW 59.12.030 and 1998 c 276 s 6 are each amended to read as follows:

A tenant of real property for a term less than life is (~~(guilty of)~~) liable for unlawful detainer either:

(1) When he or she holds over or continues in possession, in person or by subtenant, of the property or any part thereof after the expiration of the term for which it is let to him or her. When real property is leased for a specified term or period by express or implied contract, whether written or oral, the tenancy shall be terminated without notice at the expiration of the specified term or period;

(2) When he or she, having leased property for an indefinite time with monthly or other periodic rent reserved, continues in possession thereof, in person or by subtenant, after the end of any such month or period, when the landlord, more than twenty days prior to the end of such month or period, has served notice (in manner in RCW 59.12.040 provided) requiring him or her to quit the premises at the expiration of such month or period;

(3) When he or she continues in possession in person or by subtenant after a default in the payment of rent, and after notice in writing requiring in the alternative the payment of the rent or the surrender of the detained premises, served (in manner in RCW 59.12.040 provided) (~~(in)~~) on behalf of the person entitled to the rent upon the person owing it, has remained uncomplied with for the period of three days after service (~~(thereof)~~), or for the period of fourteen days after service for tenancies under chapter 59.18 RCW. The notice may be served at any time after the rent becomes due. For the purposes of this subsection and as applied to tenancies under chapter 59.18 RCW, "rent" has the same meaning as defined in RCW 59.18.030;

(4) When he or she continues in possession in person or by subtenant after a neglect or failure to keep or perform any (~~(other)~~) condition or covenant of the lease or agreement under which the property is held, including any covenant not to assign or sublet, other than one for the payment of rent, and after notice in writing requiring in the alternative the performance of such condition or covenant or the surrender of the property, served (in manner in RCW 59.12.040 provided) upon him or her, and if there is a subtenant in actual possession of the premises, also upon such subtenant, shall remain uncomplied with for ten days after service thereof. Within ten days after the service of such notice the tenant, or any subtenant in actual occupation of the premises, or any mortgagee of the term, or other person interested in its continuance, may perform such condition or covenant and thereby save the lease from such forfeiture. For the purposes of this subsection and as applied to tenancies under chapter 59.18 RCW, "rent" has the same meaning as defined in RCW 59.18.030;

(5) When he or she commits or permits waste upon the demised premises, or when he or she sets up or carries on thereon any unlawful business, or when he or she erects, suffers, permits, or maintains on or about the premises any nuisance, and remains in possession after the service (in manner in RCW 59.12.040 provided) upon him or her of three days' notice to quit;

(6) A person who, without the permission of the owner and without having color of title thereto, enters upon land of another and who fails or refuses to remove therefrom after three days' notice, in writing and served upon him or her in the manner provided in RCW 59.12.040. Such person may also be subject to the criminal provisions of chapter 9A.52 RCW; or

(7) When he or she commits or permits any gang-related activity at the premises as prohibited by RCW 59.18.130.

NEW SECTION, Sec. 3. A new section is added to chapter 59.18 RCW to read as follows:

(1) Every fourteen-day notice served pursuant to RCW 59.12.030(3) must be in substantially the following form:

"FOURTEEN-DAY NOTICE TO PAY RENT OR VACATE THE PREMISES

You are receiving the attached notice because the landlord alleges you are not in compliance with the terms of the lease agreement by failing to pay rent and/or utilities and/or recurring or periodic charges that are past due.

(1) Monthly rent due for (list month(s)): \$ (dollar amount)

AND/OR

(2) Utilities due for (list month(s)): \$ (dollar amount)

AND/OR

(3) Other recurring or periodic charges identified in the lease for (list month(s)): \$ (dollar amount)

TOTAL AMOUNT DUE: \$ (dollar amount)

Note - payment must be by cash, cashier's check, money order, or certified funds pursuant to the terms of the rental agreement.

You must pay the total amount due to your landlord within fourteen (14) days after service of this notice or you must vacate the premises. Any payment you make to the landlord must first be applied to the total amount due as shown on this notice. Any failure to comply with this notice within fourteen (14) days after service of this notice may result in a judicial proceeding that leads to your eviction from the premises.

The Washington state Office of the Attorney General has this notice in multiple languages on its web site. You will also find information there on how to find a lawyer or advocate at low or no cost and any available resources to help you pay your rent. Alternatively, call 2-1-1 to learn about these services.

State law provides you the right to receive interpreter services at court.

OWNER/LANDLORD: _____ DATE: _____

WHERE TOTAL AMOUNT DUE IS TO BE PAID:
____(owner/landlord name)____
_____(address)_____"

(2) The form required in this section does not abrogate any additional notice requirements to tenants as required by federal, state, or local law.

NEW SECTION, Sec. 4. A new section is added to chapter 59.18 RCW to read as follows:

(1) The office of the attorney general shall produce and maintain on its web site translated versions of the notice under section 3 of this act in the top ten

languages spoken in Washington state and, at the discretion of the office of the attorney general, other languages. The notice must be made available upon request in printed form on one letter size paper, eight and one-half by eleven inches, and in an easily readable font size.

(2) The office of the attorney general shall also provide on its web site information on where tenants can access legal or advocacy resources, including information on any immigrant and cultural organizations where tenants can receive assistance in their primary language.

(3) The office of the attorney general may also produce and maintain on its web site translated versions of common notices used in unlawful detainer actions, including those relevant to subsidized tenancies, low-income housing tax credit programs, or the federal violence against women act.

Sec. 5. RCW 59.18.030 and 2016 c 66 s 1 are each reenacted and amended to read as follows:

As used in this chapter:

(1) "Certificate of inspection" means an unsworn statement, declaration, verification, or certificate made in accordance with the requirements of RCW 9A.72.085 by a qualified inspector that states that the landlord has not failed to fulfill any substantial obligation imposed under RCW 59.18.060 that endangers or impairs the health or safety of a tenant, including (a) structural members that are of insufficient size or strength to carry imposed loads with safety, (b) exposure of the occupants to the weather, (c) plumbing and sanitation defects that directly expose the occupants to the risk of illness or injury, (d) not providing facilities adequate to supply heat and water and hot water as reasonably required by the tenant, (e) providing heating or ventilation systems that are not functional or are hazardous, (f) defective, hazardous, or missing electrical wiring or electrical service, (g) defective or hazardous exits that increase the risk of injury to occupants, and (h) conditions that increase the risk of fire.

(2) "Commercially reasonable manner," with respect to a sale of a deceased tenant's personal property, means a sale where every aspect of the sale, including the method, manner, time, place, and other terms, must be commercially reasonable. If commercially reasonable, a landlord may sell the tenant's property by public or private proceedings, by one or more contracts, as a unit or in parcels, and at any time and place and on any terms.

(3) "Comprehensive reusable tenant screening report" means a tenant screening report prepared by a consumer reporting agency at the direction of and paid for by the prospective tenant and made available directly to a prospective landlord at no charge, which contains all of the following: (a) A consumer credit report prepared by a consumer reporting agency within the past thirty days; (b) the prospective tenant's criminal history; (c) the prospective tenant's eviction history; (d) an employment verification; and (e) the prospective tenant's address and rental history.

(4) "Criminal history" means a report containing or summarizing (a) the prospective tenant's criminal convictions and pending cases, the final disposition of which antedates the report by no more than seven years, and (b) the results of a sex offender registry and United States department of the treasury's office of foreign assets control search, all based on at least seven years of address history

and alias information provided by the prospective tenant or available in the consumer credit report.

(5) "Designated person" means a person designated by the tenant under RCW 59.18.590.

(6) "Distressed home" has the same meaning as in RCW 61.34.020.

(7) "Distressed home conveyance" has the same meaning as in RCW 61.34.020.

(8) "Distressed home purchaser" has the same meaning as in RCW 61.34.020.

(9) "Dwelling unit" is a structure or that part of a structure which is used as a home, residence, or sleeping place by one person or by two or more persons maintaining a common household, including but not limited to single-family residences and units of multiplexes, apartment buildings, and mobile homes.

(10) "Eviction history" means a report containing or summarizing the contents of any records of unlawful detainer actions concerning the prospective tenant that are reportable in accordance with state law, are lawful for landlords to consider, and are obtained after a search based on at least seven years of address history and alias information provided by the prospective tenant or available in the consumer credit report.

(11) "Gang" means a group that: (a) Consists of three or more persons; (b) has identifiable leadership or an identifiable name, sign, or symbol; and (c) on an ongoing basis, regularly conspires and acts in concert mainly for criminal purposes.

(12) "Gang-related activity" means any activity that occurs within the gang or advances a gang purpose.

(13) "In danger of foreclosure" means any of the following:

(a) The homeowner has defaulted on the mortgage and, under the terms of the mortgage, the mortgagee has the right to accelerate full payment of the mortgage and repossess, sell, or cause to be sold the property;

(b) The homeowner is at least thirty days delinquent on any loan that is secured by the property; or

(c) The homeowner has a good faith belief that he or she is likely to default on the mortgage within the upcoming four months due to a lack of funds, and the homeowner has reported this belief to:

(i) The mortgagee;

(ii) A person licensed or required to be licensed under chapter 19.134 RCW;

(iii) A person licensed or required to be licensed under chapter 19.146 RCW;

(iv) A person licensed or required to be licensed under chapter 18.85 RCW;

(v) An attorney-at-law;

(vi) A mortgage counselor or other credit counselor licensed or certified by any federal, state, or local agency; or

(vii) Any other party to a distressed property conveyance.

(14) "Landlord" means the owner, lessor, or sublessor of the dwelling unit or the property of which it is a part, and in addition means any person designated as representative of the owner, lessor, or sublessor including, but not limited to, an agent, a resident manager, or a designated property manager.

(15) "Mortgage" is used in the general sense and includes all instruments, including deeds of trust, that are used to secure an obligation by an interest in real property.

(16) "Owner" means one or more persons, jointly or severally, in whom is vested:

(a) All or any part of the legal title to property; or

(b) All or part of the beneficial ownership, and a right to present use and enjoyment of the property.

(17) "Person" means an individual, group of individuals, corporation, government, or governmental agency, business trust, estate, trust, partnership, or association, two or more persons having a joint or common interest, or any other legal or commercial entity.

(18) "Premises" means a dwelling unit, appurtenances thereto, grounds, and facilities held out for the use of tenants generally and any other area or facility which is held out for use by the tenant.

(19) "Property" or "rental property" means all dwelling units on a contiguous quantity of land managed by the same landlord as a single, rental complex.

(20) "Prospective landlord" means a landlord or a person who advertises, solicits, offers, or otherwise holds a dwelling unit out as available for rent.

(21) "Prospective tenant" means a tenant or a person who has applied for residential housing that is governed under this chapter.

(22) "Qualified inspector" means a United States department of housing and urban development certified inspector; a Washington state licensed home inspector; an American society of home inspectors certified inspector; a private inspector certified by the national association of housing and redevelopment officials, the American association of code enforcement, or other comparable professional association as approved by the local municipality; a municipal code enforcement officer; a Washington licensed structural engineer; or a Washington licensed architect.

(23) "Reasonable attorneys' fees," where authorized in this chapter, means an amount to be determined including the following factors: The time and labor required, the novelty and difficulty of the questions involved, the skill requisite to perform the legal service properly, the fee customarily charged in the locality for similar legal services, the amount involved and the results obtained, and the experience, reputation and ability of the lawyer or lawyers performing the services.

(24) "Reasonable manner," with respect to disposing of a deceased tenant's personal property, means to dispose of the property by donation to a not-for-profit charitable organization, by removal of the property by a trash hauler or recycler, or by any other method that is reasonable under the circumstances.

(25) "Rent" or "rental amount" means recurring and periodic charges identified in the rental agreement for the use and occupancy of the premises, which may include charges for utilities. Except as provided in section 6(3) of this act, these terms do not include nonrecurring charges for costs incurred due to late payment, damages, deposits, legal costs, or other fees, including attorneys' fees.

(26) "Rental agreement" means all agreements which establish or modify the terms, conditions, rules, regulations, or any other provisions concerning the use and occupancy of a dwelling unit.

~~((26))~~ (27) A "single-family residence" is a structure maintained and used as a single dwelling unit. Notwithstanding that a dwelling unit shares one or more walls with another dwelling unit, it shall be deemed a single-family residence if it has direct access to a street and shares neither heating facilities nor hot water equipment, nor any other essential facility or service, with any other dwelling unit.

~~((27))~~ (28) A "tenant" is any person who is entitled to occupy a dwelling unit primarily for living or dwelling purposes under a rental agreement.

~~((28))~~ (29) "Tenant representative" means:

(a) A personal representative of a deceased tenant's estate if known to the landlord;

(b) If the landlord has no knowledge that a personal representative has been appointed for the deceased tenant's estate, a person claiming to be a successor of the deceased tenant who has provided the landlord with proof of death and an affidavit made by the person that meets the requirements of RCW 11.62.010(2);

(c) In the absence of a personal representative under (a) of this subsection or a person claiming to be a successor under (b) of this subsection, a designated person; or

(d) In the absence of a personal representative under (a) of this subsection, a person claiming to be a successor under (b) of this subsection, or a designated person under (c) of this subsection, any person who provides the landlord with reasonable evidence that he or she is a successor of the deceased tenant as defined in RCW 11.62.005. The landlord has no obligation to identify all of the deceased tenant's successors.

~~((29))~~ (30) "Tenant screening" means using a consumer report or other information about a prospective tenant in deciding whether to make or accept an offer for residential rental property to or from a prospective tenant.

~~((30))~~ (31) "Tenant screening report" means a consumer report as defined in RCW 19.182.010 and any other information collected by a tenant screening service.

NEW SECTION. Sec. 6. A new section is added to chapter 59.18 RCW to read as follows:

Under this chapter:

(1) A landlord must first apply any payment made by a tenant toward rent before applying any payment toward late payments, damages, legal costs, or other fees, including attorneys' fees.

(2) Except as provided in RCW 59.18.410, the tenant's right to possession of the premises may not be conditioned on a tenant's payment or satisfaction of any monetary amount other than rent. However, this does not foreclose a landlord from pursuing other lawful remedies to collect late payments, legal costs, or other fees, including attorneys' fees.

(3) When, at the commencement of the tenancy, the landlord has provided an installment payment plan for nonrefundable fees or deposits for the security of the tenant's obligations and the tenant defaults in payment, the landlord may treat the default in payment as rent owing. Any rights the tenant and landlord

have under this chapter with respect to rent owing equally apply under this subsection.

Sec. 7. RCW 59.18.410 and 2011 c 132 s 20 are each amended to read as follows:

(1) If (~~upon the~~) at trial the verdict of the jury or, if the case (~~be~~) is tried without a jury, the finding of the court (~~be~~) is in favor of the (~~plaintiff~~) landlord and against the (~~defendant~~) tenant, judgment shall be entered for the restitution of the premises; and if the proceeding (~~be~~) is for unlawful detainer after neglect or failure to perform any condition or covenant of a lease or agreement under which the property is held, or after default in the payment of rent, the judgment shall also declare the forfeiture of the lease, agreement, or tenancy. The jury, or the court, if the proceedings (~~be~~) are tried without a jury, shall also assess the damages arising out of the tenancy occasioned to the (~~plaintiff~~) landlord by any forcible entry, or by any forcible or unlawful detainer, alleged in the complaint and proved (~~on the~~) at trial, and, if the alleged unlawful detainer (~~be after~~) is based on default in the payment of rent, find the amount of any rent due, and the judgment shall be rendered against the (~~defendant guilty of~~) tenant liable for the forcible entry, forcible detainer, or unlawful detainer for the amount of damages thus assessed (~~and~~), for the rent, if any, found due, and late fees if such fees are due under the lease and do not exceed seventy-five dollars in total. The court may award statutory costs (and). The court may also award reasonable (attorney's) attorneys' fees as provided in RCW 59.18.290.

(2) When the (~~proceeding~~) tenant is liable for (an) unlawful detainer after a default in the payment of rent, (~~and the lease or agreement under which the rent is payable has not by its terms expired,~~) execution upon the judgment shall not (~~be issued~~) occur until the expiration of five court days after the entry of the judgment (~~within which~~). Before such time has expired, the tenant or any subtenant, or any mortgagee of the term, or other party interested in the continuance of the tenancy, may pay into court (~~for~~) or to the landlord the amount of the (~~judgment and costs, and thereupon the judgment shall be satisfied and the~~) rent due, any court costs incurred at the time of payment, late fees if such fees are due under the lease and do not exceed seventy-five dollars in total, and attorneys' fees if awarded, in which event any judgment entered shall be satisfied and the tenant restored to his or her tenancy(;-but)). If a judgment has been satisfied, the landlord shall file a satisfaction of judgment with the court. A tenant seeking to exercise rights under this subsection shall pay an additional fifty dollars for each time the tenant was reinstated after judgment pursuant to this subsection within the previous twelve months prior to payment. If payment(~~, as herein provided, be~~) of the amount specified in this subsection is not made within five court days after the entry of the judgment, the judgment may be enforced for its full amount and for the possession of the premises.

(3)(a) Following the entry of a judgment in favor of the landlord and against the tenant for the restitution of the premises and forfeiture of the tenancy due to nonpayment of rent, the court, at the time of the show cause hearing or trial, or upon subsequent motion of the tenant but before the execution of the writ of restitution, may stay the writ of restitution upon good cause and on such terms that the court deems fair and just for both parties. In making this decision, the court shall consider evidence of the following factors:

(i) The tenant's willful or intentional default or intentional failure to pay rent;

(ii) Whether nonpayment of the rent was caused by exigent circumstances that were beyond the tenant's control and that are not likely to recur;

(iii) The tenant's ability to timely pay the judgment;

(iv) The tenant's payment history;

(v) Whether the tenant is otherwise in substantial compliance with the rental agreement;

(vi) Hardship on the tenant if evicted; and

(vii) Conduct related to other notices served within the last six months.

(b) The burden of proof for such relief under this subsection (3) shall be on the tenant. If the tenant seeks relief pursuant to this subsection (3) at the time of the show cause hearing, the court shall hear the matter at the time of the show cause hearing or as expeditiously as possible so as to avoid unnecessary delay or hardship on the parties.

(c) In any order issued pursuant to this subsection (3):

(i) The court shall not stay the writ of restitution more than ninety days from the date of order, but may order repayment of the judgment balance within such time. If the payment plan is to exceed thirty days, the total cumulative payments for each thirty-day period following the order shall be no less than one month of the tenant's share of the rent, and the total amount of the judgment and all additional rent that is due shall be paid within ninety days.

(ii) Within any payment plan ordered by the court, the court shall require the tenant to pay to the landlord or to the court one month's rent within five court days of issuance of the order. If the date of the order is on or before the fifteenth of the month, the tenant shall remain current with ongoing rental payments as they become due for the duration of the payment plan; if the date of the order is after the fifteenth of the month, the tenant shall have the option to apportion the following month's rental payment within the payment plan, but monthly rental payments thereafter shall be paid according to the rental agreement.

(iii) The sheriff may serve the writ of restitution upon the tenant before the expiration of the five court days of issuance of the order; however, the sheriff shall not execute the writ of restitution until after expiration of the five court days in order for payment to be made of one month's rent as required by (c)(ii) of this subsection. In the event payment is made as provided in (c)(ii) of this subsection for one month's rent, the court shall stay the writ of restitution ex parte without prior notice to the landlord upon the tenant filing and presenting a motion to stay with a declaration of proof of payment demonstrating full compliance with the required payment of one month's rent. Any order staying the writ of restitution under this subsection (3)(c)(iii) shall require the tenant to serve a copy of the order on the landlord by personal delivery, first-class mail, facsimile, or email if agreed to by the parties.

(A) If the tenant has satisfied (c)(ii) of this subsection by paying one month's rent within five court days, but defaults on a subsequent payment required by the court pursuant to this subsection (3)(c), the landlord may enforce the writ of restitution after serving a notice of default in accordance with RCW 59.12.040 informing the tenant that he or she has defaulted on rent due under the lease agreement or payment plan entered by the court. Upon service of the notice

of default, the tenant shall have three calendar days from the date of service to vacate the premises before the sheriff may execute the writ of restitution.

(B) If the landlord serves the notice of default described under this subsection (3)(c)(iii), an additional day is not included in calculating the time before the sheriff may execute the writ of restitution. The notice of default must be in substantially the following form:

NOTICE OF DEFAULT FOR RENT AND/OR PAYMENT PLAN ORDERED
BY COURT

NAME(S)
ADDRESS
CITY, STATE, ZIP

THIS IS NOTICE THAT YOU ARE IN DEFAULT OF YOUR RENT AND/OR PAYMENT PLAN ORDERED BY THE COURT. YOUR LANDLORD HAS RECEIVED THE FOLLOWING PAYMENTS:

DATE
AMOUNT
DATE
AMOUNT
DATE
AMOUNT

THE LANDLORD MAY SCHEDULE YOUR PHYSICAL EVICTION WITHIN THREE CALENDAR DAYS OF SERVICE OF THIS NOTICE. TO STOP A PHYSICAL EVICTION, YOU ARE REQUIRED TO PAY THE BALANCE OF YOUR RENT AND/OR PAYMENT PLAN IN THE AMOUNT OF \$

PAYMENT MAY BE MADE TO THE COURT OR TO THE LANDLORD. IF YOU FAIL TO PAY THE BALANCE WITHIN THREE CALENDAR DAYS, THE LANDLORD MAY PROCEED WITH A PHYSICAL EVICTION FOR POSSESSION OF THE UNIT THAT YOU ARE RENTING.

DATE
SIGNATURE
LANDLORD/AGENT
NAME
ADDRESS
PHONE

(iv) If a tenant seeks to satisfy a condition of this subsection (3)(c) by relying on an emergency rental assistance program provided by a government or nonprofit entity and provides an offer of proof, the court shall stay the writ of restitution as necessary to afford the tenant an equal opportunity to comply.

(v) The court shall extend the writ of restitution as necessary to enforce the order issued pursuant to this subsection (3)(c) in the event of default.

(d) A tenant who has been served with three or more notices to pay or vacate for failure to pay rent as set forth in RCW 59.12.040 within twelve months prior

to the notice to pay or vacate upon which the proceeding is based may not seek relief under this subsection (3).

(e)(i) In any application seeking relief pursuant to this subsection (3), the court shall issue a finding as to whether the tenant is low-income, limited resourced, or experiencing hardship to determine if the parties would be eligible for disbursement through the landlord mitigation program account established within RCW 43.31.605(1)(c). In making this finding, the court may include an inquiry regarding the tenant's income relative to area median income, household composition, any extenuating circumstances, or other factors, and may rely on written declarations or oral testimony by the parties at the hearing.

(ii) After a finding that the tenant is low-income, limited resourced, or experiencing hardship, the court may issue an order: (A) Finding that the landlord is eligible to receive on behalf of the tenant and may apply for reimbursement from the landlord mitigation program; and (B) directing the clerk to remit, without further order of the court, any future payments made by the tenant in order to reimburse the department of commerce pursuant to RCW 43.31.605(1)(c)(iii). Nothing in this subsection (3)(c) shall be deemed to obligate the department of commerce to provide assistance in claim reimbursement through the landlord mitigation program if there are not sufficient funds.

(iii) If the department of commerce fails to disburse payment to the landlord for the judgment pursuant to this subsection (3)(e) within thirty days from submission of the application, the landlord may renew an application for a writ of restitution pursuant to RCW 59.18.370 and for other rent owed by the tenant since the time of entry of the prior judgment. In such event, the tenant may exercise rights afforded under this section.

(iv) Upon payment by the department of commerce to the landlord for the remaining or total amount of the judgment, as applicable, the judgment is satisfied and the landlord shall file a satisfaction of judgment with the court.

(v) Nothing in this subsection (3)(e) prohibits the landlord from otherwise applying for reimbursement for an unpaid judgment pursuant to RCW 43.31.605(1)(c) after the tenant defaults on a payment plan ordered pursuant to (c) of this subsection.

(4) If a tenant seeks to stay a writ of restitution issued pursuant to this chapter, the court may issue an ex parte stay of the writ of restitution provided the tenant or tenant's attorney submits a declaration indicating good faith efforts were made to notify the other party or, if no efforts were made, why notice could not be provided prior to the application for an ex parte stay, and describing the immediate or irreparable harm that may result if an immediate stay is not granted.

(5) In all other cases the judgment may be enforced immediately. If a writ of restitution shall have been executed prior to judgment no further writ or execution for the premises shall be required.

(6) This section also applies if the writ of restitution is issued pursuant to a final judgment entered after a show cause hearing conducted in accordance with RCW 59.18.380.

Sec. 8. RCW 59.18.390 and 2011 c 132 s 19 are each amended to read as follows:

(1) The sheriff shall, upon receiving the writ of restitution, forthwith serve a copy thereof upon the ~~((defendant))~~ tenant, his or her agent, or attorney, or a person in possession of the premises, and shall not execute the same for three days thereafter ~~(, and the defendant, or person in possession of the premises within three days after the service of the writ of restitution may execute to the plaintiff a bond to be filed with and approved by the clerk of the court in such sum as may be fixed by the judge, with sufficient surety to be approved by the clerk of the court, conditioned that they will pay to the plaintiff such sum as the plaintiff may recover for the use and occupation of the premises, or any rent found due, together with all damages the plaintiff may sustain by reason of the defendant occupying or keeping possession of the premises, together with all damages which the court theretofore has awarded to the plaintiff as provided in this chapter, and also all the costs of the action. If the writ of restitution was issued after alternative service provided for in RCW 59.18.055, the court shall determine the amount of the bond after considering the rent claimed and any other factors the court deems relevant. The plaintiff, his or her agent or attorneys, shall have notice of the time and place where the court or judge thereof shall fix the amount of the defendant's bond, and shall have notice and a reasonable opportunity to examine into the qualification and sufficiency of the sureties upon the bond before the bond shall be approved by the clerk)~~. After the issuance of a writ of restitution, acceptance of a payment by the landlord ~~((or plaintiff))~~ that only partially satisfies the judgment will not invalidate the writ unless pursuant to a written agreement executed by both parties. The eviction will not be postponed or stopped unless a copy of that written agreement is provided to the sheriff. It is the responsibility of the tenant ~~((or defendant))~~ to ensure a copy of the agreement is provided to the sheriff. Upon receipt of the agreement, the sheriff will cease action unless ordered to do otherwise by the court. The writ of restitution and the notice that accompanies the writ of restitution required under RCW 59.18.312 shall conspicuously state in bold face type, all capitals, not less than twelve points information about partial payments as set forth in subsection (2) of this section. If the writ of restitution has been based upon a finding by the court that the tenant, subtenant, sublessee, or a person residing at the rental premises has engaged in drug-related activity or has allowed any other person to engage in drug-related activity at those premises with his or her knowledge or approval, neither the tenant ~~(, the defendant,)~~ nor a person in possession of the premises shall be entitled to post a bond in order to retain possession of the premises. The writ may be served by the sheriff, in the event he or she shall be unable to find the ~~((defendant))~~ tenant, an agent or attorney, or a person in possession of the premises, by affixing a copy of the writ in a conspicuous place upon the premises: PROVIDED, That the sheriff shall not require any bond for the service or execution of the writ. The sheriff shall be immune from all civil liability for serving and enforcing writs of restitution unless the sheriff is grossly negligent in carrying out his or her duty.

(2) The notice accompanying a writ of restitution required under RCW 59.18.312 shall be substantially similar to the following:

IMPORTANT NOTICE - PARTIAL PAYMENTS

**YOUR LANDLORD'S ACCEPTANCE OF A PARTIAL PAYMENT
FROM YOU AFTER SERVICE OF THIS WRIT OF RESTITUTION**

WILL NOT AUTOMATICALLY POSTPONE OR STOP YOUR EVICTION. IF YOU HAVE A WRITTEN AGREEMENT WITH YOUR LANDLORD THAT THE EVICTION WILL BE POSTPONED OR STOPPED, IT IS YOUR RESPONSIBILITY TO PROVIDE A COPY OF THE AGREEMENT TO THE SHERIFF. THE SHERIFF WILL NOT CEASE ACTION UNLESS YOU PROVIDE A COPY OF THE AGREEMENT. AT THE DIRECTION OF THE COURT THE SHERIFF MAY TAKE FURTHER ACTION.

Sec. 9. RCW 59.18.365 and 2008 c 75 s 1 are each amended to read as follows:

(1) The summons must contain the names of the parties to the proceeding, the attorney or attorneys if any, the court in which the same is brought, the nature of the action, in concise terms, and the relief sought, and also the return day; and must notify the defendant to appear and answer within the time designated or that the relief sought will be taken against him or her. The summons must contain a street address for service of the notice of appearance or answer and, if available, a facsimile number for the plaintiff or the plaintiff's attorney, if represented. The summons must be served and returned in the same manner as a summons in other actions is served and returned.

(2) A defendant may serve a copy of an answer or notice of appearance by any of the following methods:

(a) By delivering a copy of the answer or notice of appearance to the person who signed the summons at the street address listed on the summons;

(b) By mailing a copy of the answer or notice of appearance addressed to the person who signed the summons to the street address listed on the summons;

(c) By facsimile to the facsimile number listed on the summons. Service by facsimile is complete upon successful transmission to the facsimile number listed upon the summons;

(d) As otherwise authorized by the superior court civil rules.

(3) The summons for unlawful detainer actions for tenancies covered by this chapter shall be substantially in the following form:

IN THE SUPERIOR COURT OF THE
STATE OF WASHINGTON
IN AND
FOR COUNTY

Plaintiff/Landlord/Owner,

vs.

Defendant/Tenant/Occupant.

NO.

EVICTION SUMMONS
(Residential)

THIS IS ((NOTICE OF A LAWSUIT)) AN IMPORTANT LEGAL DOCUMENT TO EVICT YOU.

((PLEASE READ IT CAREFULLY.

THE DEADLINE FOR)) YOUR WRITTEN

RESPONSE ((IS)) MUST BE RECEIVED BY: 5:00 p.m., on

TO: (Defendant's Name)
. (Defendant's Address)

~~((This is notice of a lawsuit to evict you from the property which you are renting. Your landlord is asking the court to terminate your tenancy, direct the sheriff to remove you and your belongings from the property, enter a money judgment against you for unpaid rent and/or damages for your use of the property, and for court costs and attorneys' fees.~~

If you want to defend yourself in this lawsuit, you must respond to the eviction complaint in writing on or before the deadline stated above. You must respond in writing even if no case number has been assigned by the court yet.

You can respond to the complaint in writing by delivering a copy of a notice of appearance or answer to your landlord's attorney (or your landlord if there is no attorney) by personal delivery, mailing, or facsimile to the address or facsimile number stated below **TO BE RECEIVED NO LATER THAN THE DEADLINE STATED ABOVE**. Service by facsimile is complete upon successful transmission to the facsimile number, if any, listed in the summons.

The notice of appearance or answer must include the name of this case (plaintiff(s) and defendant(s)), your name, the street address where further legal papers may be sent, your telephone number (if any), and your signature.

If there is a number on the upper right side of the eviction summons and complaint, you must also file your original notice of appearance or answer with the court clerk by the deadline for your written response.

You may demand that the plaintiff file this lawsuit with the court. If you do so, the demand must be in writing and must be served upon the person signing the summons. Within fourteen days after you serve the demand, the plaintiff must file this lawsuit with the court, or the service on you of this summons and complaint will be void.

If you wish to seek the advice of an attorney in this matter, you should do so promptly so that your written response, if any, may be served on time.

You may also be instructed in a separate order to appear for a court hearing on your eviction. If you receive an order to show cause you must personally appear at the hearing on the date indicated in the order to show cause **IN ADDITION** to delivering and filing your notice of appearance or answer by the deadline stated above.

~~IF YOU DO NOT RESPOND TO THE COMPLAINT IN WRITING BY THE DEADLINE STATED ABOVE YOU WILL LOSE BY DEFAULT. YOUR LANDLORD MAY PROCEED WITH THE LAWSUIT, EVEN IF YOU HAVE MOVED OUT OF THE PROPERTY.~~

The notice of appearance or answer must be delivered to:

.....
 Name

.....
 Street Address

.....
 Telephone Number

.....
 Facsimile Number (Required
 if Available)))

GET HELP: If you do not respond by the deadline above, you will lose your right to defend yourself in court and could be evicted. If you cannot afford a lawyer, you may call 2-1-1. They can refer you to free or low-cost legal help. They can help you find help to pay for a lawyer.

HOW TO RESPOND: Phone calls to your Landlord or your Landlord's lawyer are not a response. You may respond with a "notice of appearance." This is a letter that includes the following:

- (1) A statement that you are appearing in the court case
- (2) Names of the landlord(s) and the tenant(s) (as listed above)
- (3) Your name, your address where legal documents may be sent, your signature, phone number (if any), and case number (if the case is filed)

This case is / is not filed with the court. If this case is filed, you need to also file your response with the court by delivering a copy to the clerk of the court at: (Clerk's Office/Address/Room number/Business hours of court clerk)

WHERE TO RESPOND: You must mail, fax, or hand deliver your response letter to your Landlord's lawyer, or if no lawyer is named in the complaint, to your Landlord. If you mail the response letter, you must do it 3 days before the deadline above. Request receipt of a proof of mailing from the post office. If you hand deliver or fax it, you must do it by the deadline above. The address is:

..... (Attorney/Landlord Name)
 (Address)
 (Fax - required if available)

COURT DATE: If you respond to this Summons, you will be notified of your hearing date in a document called an "Order to Show Cause." This is usually mailed to you. If you get notice of a hearing, **you must go to the hearing.** If you do not show up, your landlord can evict you. Your landlord might also charge you more money. If you move before the court date, you must tell your landlord or the landlord's attorney.

Sec. 10. RCW 59.18.290 and 2010 c 8 s 19028 are each amended to read as follows:

(1) It (~~shall be~~) is unlawful for the landlord to remove or exclude from the premises the tenant thereof except under a court order so authorizing. Any tenant so removed or excluded in violation of this section may recover possession of the property or terminate the rental agreement and, in either case, may recover the actual damages sustained. The prevailing party may recover the costs of suit or arbitration and reasonable (~~attorney's~~) attorneys' fees.

(2) It ~~((shall be))~~ is unlawful for the tenant to hold over in the premises or exclude the landlord therefrom after the termination of the rental agreement except under a valid court order so authorizing. Any landlord so deprived of possession of premises in violation of this section may recover possession of the property and damages sustained by him or her, and the prevailing party may recover his or her costs of suit or arbitration and reasonable ~~((attorney's))~~ attorneys' fees subject to subsections (3) and (4) of this section.

(3) Where the court has entered a judgment in favor of the landlord restoring possession of the property to the landlord, the court may award reasonable attorneys' fees to the landlord; however, the court shall not award attorneys' fees in the following instances:

(a) If the judgment for possession is entered after the tenant failed to appear;
or

(b) If the total amount of rent awarded in the judgment for rent is equal to or less than two months of the tenant's monthly contract rent or one thousand two hundred dollars, whichever is greater.

(4) If a tenant has filed a motion to stay a writ of restitution from execution, the court may only award attorneys' fees to the landlord if the tenant is permitted to be reinstated. Any attorneys' fees awarded shall be subject to repayment pursuant to RCW 59.18.410(3).

Sec. 11. RCW 59.18.055 and 1997 c 86 s 1 are each amended to read as follows:

(1) When the ~~((plaintiff))~~ landlord, after the exercise of due diligence, is unable to personally serve the summons on the ~~((defendant))~~ tenant, the ~~((court))~~ landlord may ~~((authorize))~~ use the alternative means of service ~~((described herein. Upon filing of an affidavit from the person or persons attempting service describing those attempts, and the filing of an affidavit from the plaintiff, plaintiff's agent, or plaintiff's attorney stating the belief that the defendant cannot be found, the court may enter an order authorizing service of the summons))~~ as follows:

(a) The summons and complaint shall be posted in a conspicuous place on the premises unlawfully held, not less than nine days from the return date stated in the summons; and

(b) Copies of the summons and complaint shall be deposited in the mail, postage prepaid, by both regular mail and certified mail directed to the ~~((defendant's))~~ tenant's or ~~((defendants'))~~ tenants' last known address not less than nine days from the return date stated in the summons.

(2) When service on the ~~((defendant))~~ tenant or ~~((defendants))~~ tenants is accomplished by this alternative procedure, the court's jurisdiction is limited to restoring possession of the premises to the ~~((plaintiff))~~ landlord and no money judgment may be entered against the ~~((defendant))~~ tenant or ~~((defendants))~~ tenants until such time as jurisdiction over the ~~((defendant))~~ tenant or ~~((defendants))~~ tenants is obtained.

~~((2))~~ (3) Before the entry of any judgment or issuance of a writ of restitution due to the tenant's failure to appear, the landlord shall provide the court with a declaration from the person or persons who served the tenant that describes the service achieved, and if by alternative service pursuant to this section, that describes the efforts at personal service before alternative service

was used and a declaration from the landlord stating his or her belief that the tenant cannot be found.

(4) For the purposes of subsection (1) of this section, the exercise of due diligence is met if the landlord attempts personal service on the tenant at least three times over not less than two days and at different times of the day.

(5) This section shall apply to this chapter and chapter 59.20 RCW.

Sec. 12. RCW 43.31.605 and 2018 c 66 s 2 are each amended to read as follows:

(1)(a) Subject to the availability of funds for this purpose, the landlord mitigation program is created and administered by the department. The department shall have such rule-making authority as the department deems necessary to administer the program.

(b) The following types of claims related to landlord mitigation for renting private market rental units to low-income tenants using a housing subsidy program are eligible for reimbursement from the landlord mitigation program account:

~~((a))~~ (i) Up to one thousand dollars for improvements identified in RCW 59.18.255(1)(a). In order to be eligible for reimbursement under this subsection (1)~~((a))~~ (b)(i), the landlord must pay for the first five hundred dollars for improvements, and rent to the tenant whose housing subsidy program was conditioned on the real property passing inspection. Reimbursement under this subsection (1)~~((a))~~ (b)(i) may also include up to fourteen days of lost rental income from the date of offer of housing to the applicant whose housing subsidy program was conditioned on the real property passing inspection until move in by that applicant;

~~((b))~~ (ii) Reimbursement for damages as reflected in a judgment obtained against the tenant through either an unlawful detainer proceeding, or through a civil action in a court of competent jurisdiction after a hearing;

~~((c))~~ (iii) Reimbursement for damages established pursuant to subsection (2) of this section; and

~~((d))~~ (iv) Reimbursement for unpaid rent and unpaid utilities, provided that the landlord can evidence it to the department's satisfaction.

(c) Claims related to landlord mitigation for an unpaid judgment for rent, late fees, attorneys' fees, and costs after a court order pursuant to RCW 59.18.410(3), including any unpaid portion of the judgment after the tenant defaults on the payment plan pursuant to RCW 59.18.410(3)(c), are eligible for reimbursement from the landlord mitigation program account and are exempt from any postjudgment interest required under RCW 4.56.110. Any claim for reimbursement under this subsection (1)(c) is not an entitlement.

(i) The department shall provide for a form on its web site for tenants and landlords to apply for reimbursement funds for the landlord pursuant to this subsection (1)(c).

(ii) The form must include: (A) Space for the landlord and tenant to provide names, mailing addresses, phone numbers, date of birth for the tenant, and any other identifying information necessary for the department to process payment; (B) the landlord's statewide vendor identification number and how to obtain one; (C) name and address to whom payment must be made; (D) the amount of the judgment with instructions to include any other supporting documentation the department may need to process payment; (E) instructions for how the tenant is

to reimburse the department under (c)(iii) of this subsection; (F) a description of the consequences if the tenant does not reimburse the department as provided in this subsection (1)(c); (G) a signature line for the landlord and tenant to confirm that they have read and understood the contents of the form and program; and (H) any other information necessary for the operation of the program. If the tenant has not signed the form after the landlord has made good faith efforts to obtain the tenant's signature, the landlord may solely submit the form but must attest to the amount of money owed and sign the form under penalty of perjury.

(iii) When a landlord has been reimbursed pursuant to this subsection (1)(c), the tenant for whom payment was made shall reimburse the department by depositing the amount disbursed from the landlord mitigation program account into the court registry of the superior court in which the judgment was entered. The tenant or other interested party may seek an ex parte order of the court under the unlawful detainer action to order such funds to be disbursed by the court. Upon entry of the order, the court clerk shall disburse the funds and include a case number with any payment issued to the department. If directed by the court, a clerk shall issue any payments made by a tenant to the department without further court order.

(iv) The department may deny an application made by a tenant who has failed to reimburse the department for prior payments issued pursuant to this subsection (1)(c).

(v) With any disbursement from the account to the landlord, the department shall notify the tenant at the address provided within the application that a disbursement has been made to the landlord on the tenant's behalf and that failure to reimburse the account for the payment through the court registry may result in a denial of a future application to the account pursuant to this subsection (1)(c). The department may include any other additional information about how to reimburse the account it deems necessary to fully inform the tenant.

(vi) The department's duties with respect to obtaining reimbursement from the tenant to the account are limited to those specified within this subsection (1)(c).

(vii) If at any time funds do not exist in the landlord mitigation program account to reimburse claims submitted under this subsection (1)(c), the department must create and maintain a waitlist and distribute funds in the order the claims are received pursuant to subsection (6) of this section. Payment of any claims on the waitlist shall be made only from the landlord mitigation program account. The department shall not be civilly or criminally liable and may not have any penalty or cause of action of any nature arise against it regarding the provision or lack of provision of funds for reimbursement.

(2) In order for a claim under subsection (1)((~~e~~)) (b)(iii) of this section to be eligible for reimbursement from the landlord mitigation program account, a landlord must:

(a) Have ensured that the rental property was inspected at the commencement of the tenancy by both the tenant and the landlord or landlord's agent and that a detailed written move-in property inspection report, as required in RCW 59.18.260, was prepared and signed by both the tenant and the landlord or landlord's agent;

(b) Make repairs and then apply for reimbursement to the department;

(c) Submit a claim on a form to be determined by the department, signed under penalty of perjury; and

(d) Submit to the department copies of the move-in property inspection report specified in (a) of this subsection and supporting materials including, but not limited to, before repair and after repair photographs, videos, copies of repair receipts for labor and materials, and such other documentation or information as the department may request.

(3) The department shall make reasonable efforts to review a claim within ten business days from the date it received properly submitted and complete claims to the satisfaction of the department. In reviewing a claim pursuant to subsection (1)(b) of this section, and determining eligibility for reimbursement, the department must receive documentation, acceptable to the department in its sole discretion, that the claim involves a private market rental unit rented to a low-income tenant who is using a housing subsidy program.

(4) Claims pursuant to subsection (1)(b) of this section related to a tenancy must total at least five hundred dollars in order for a claim to be eligible for reimbursement from the program. While claims or damages may exceed five thousand dollars, total reimbursement from the program may not exceed five thousand dollars per tenancy.

(5) Damages, beyond wear and tear, that are eligible for reimbursement include, but are not limited to: Interior wall gouges and holes; damage to doors and cabinets, including hardware; carpet stains or burns; cracked tiles or hard surfaces; broken windows; damage to household fixtures such as disposal, toilet, sink, sink handle, ceiling fan, and lighting. Other property damages beyond normal wear and tear may also be eligible for reimbursement at the department's discretion.

(6) All reimbursements for eligible claims shall be made on a first-come, first-served basis, to the extent of available funds. The department shall use best efforts to notify the tenant of the amount and the reasons for any reimbursements made.

(7) The department, in its sole discretion, may inspect the property and the landlord's records related to a claim, including the use of a third-party inspector as needed to investigate fraud, to assist in making its claim review and determination of eligibility.

(8) A landlord in receipt of reimbursement from the program pursuant to subsection (1)(b) of this section is prohibited from:

(a) Taking legal action against the tenant for damages attributable to the same tenancy; or

(b) Pursuing collection, or authorizing another entity to pursue collection on the landlord's behalf, of a judgment against the tenant for damages attributable to the same tenancy.

(9) A landlord denied reimbursement under subsection (1)(~~(e)~~) (b)(iii) of this section may seek to obtain a judgment from a court of competent jurisdiction and, if successful, may resubmit a claim for damages supported by the judgment, along with a certified copy of the judgment. The department may reimburse the landlord for that portion of such judgment that is based on damages reimbursable under the landlord mitigation program, subject to the limitations set forth in this section.

(10) Determinations regarding reimbursements shall be made by the department in its sole discretion.

(11) The department must establish a web site that advertises the landlord mitigation program, the availability of reimbursement from the landlord mitigation program account, and maintains or links to the agency rules and policies established pursuant to this section.

(12) Neither the state, the department, or persons acting on behalf of the department, while acting within the scope of their employment or agency, is liable to any person for any loss, damage, harm, or other consequence resulting directly or indirectly from the department's administration of the landlord mitigation program or determinations under this section.

(13)(a) A report to the appropriate committees of the legislature on the effectiveness of the program and recommended modifications shall be submitted to the governor and the appropriate committees of the legislature by January 1, 2021. In preparing the report, the department shall convene and solicit input from a group of stakeholders to include representatives of large multifamily housing property owners or managers, small rental housing owners in both rural and urban markets, a representative of tenant advocates, and a representative of the housing authorities.

(b) The report shall include discussion of the effectiveness of the program as well as the department's recommendations to improve the program, and shall include the following:

(i) The number of total claims and total amount reimbursed to landlords by the fund;

(ii) Any indices of fraud identified by the department;

(iii) Any reports by the department regarding inspections authorized by and conducted on behalf of the department;

(iv) An outline of the process to obtain reimbursement for improvements and for damages from the fund;

(v) An outline of the process to obtain reimbursement for lost rent due to the rental inspection and tenant screening process, together with the total amount reimbursed for such damages;

(vi) An evaluation of the feasibility for expanding the use of the mitigation fund to provide up to ninety-day no interest loans to landlords who have not received timely rental payments from a housing authority that is administering section 8 rental assistance;

(vii) Any other modifications and recommendations made by stakeholders to improve the effectiveness and applicability of the program.

(14) As used in this section:

(a) "Housing subsidy program" means a housing voucher as established under 42 U.S.C. Sec. 1437 as of January 1, 2018, or other housing subsidy program including, but not limited to, valid short-term or long-term federal, state, or local government, private nonprofit, or other assistance program in which the tenant's rent is paid either partially by the program and partially by the tenant, or completely by the program directly to the landlord;

(b) "Low-income" means income that does not exceed eighty percent of the median income for the standard metropolitan statistical area in which the private market rental unit is located; and

(c) "Private market rental unit" means any unit available for rent that is owned by an individual, corporation, limited liability company, nonprofit housing provider, or other entity structure, but does not include housing acquired, or constructed by a public housing agency under 42 U.S.C. Sec. 1437 as it existed on January 1, 2018.

Sec. 13. RCW 43.31.615 and 2018 c 66 s 3 are each amended to read as follows:

(1) The landlord mitigation program account is created in the custody of the state treasury. All transfers and appropriations by the legislature, repayments, private contributions, and all other sources must be deposited into the account. Expenditures from the account may only be used for the landlord mitigation program under this chapter to reimburse landlords for eligible claims related to private market rental units during the time of their rental to low-income tenants using housing subsidy programs as defined in RCW 43.31.605, for any unpaid judgment issued within an unlawful detainer action after a court order pursuant to RCW 59.18.410(3) as described in RCW 43.31.605(1)(c), and for the administrative costs identified in subsection (2) of this section. Only the director or the director's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

(2) Administrative costs associated with application, distribution, and other program activities of the department may not exceed ~~((ten))~~ twenty percent of the annual funds available for the landlord mitigation program. Reappropriations must not be included in the calculation of the annual funds available for determining the administrative costs.

NEW SECTION. Sec. 14. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2019, in the omnibus capital or omnibus appropriations acts, this act is null and void.

Passed by the Senate April 24, 2019.

Passed by the House April 12, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 357

[Substitute Senate Bill 5668]

REGISTERED TOW TRUCK OPERATOR AUCTIONS--BUSINESS AND OCCUPATION TAX EXEMPTION

AN ACT Relating to taxation of abandoned vehicles sold at auctions conducted by registered tow truck operators; amending RCW 82.04.040; creating a new section; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. (1) This section is the tax preference performance statement for the tax preference contained in section 2, chapter . . . , Laws of 2019 (section 2 of this act). This performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or to be used to determine eligibility for preferential tax treatment.

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

(3) It is the legislature's specific public policy objective to allow registered tow truck operators to recoup their expenditures associated with removing abandoned vehicles from the roads and highways of Washington.

(4) If a review finds that the average cost of towing, storing, and disposing of an abandoned vehicle exceeds the average revenue of the sale of an abandoned vehicle by an amount greater than the value of the retail sales and use tax authorized in section 2 of this act, then the legislature intends to extend the expiration date of this tax preference.

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

Sec. 2. RCW 82.04.040 and 2017 c 323 s 201 are each amended to read as follows:

(1) Except as otherwise provided in this subsection, "sale" means any transfer of the ownership of, title to, or possession of property for a valuable consideration and includes any activity classified as a "sale at retail" or "retail sale" under RCW 82.04.050. It includes lease or rental, conditional sale contracts, and any contract under which possession of the property is given to the purchaser but title is retained by the vendor as security for the payment of the purchase price. It also includes the furnishing of food, drink, or meals for compensation whether consumed upon the premises or not. The term "sale" does not include the transfer of the ownership of, title to, or possession of:

(a) An animal by an animal rescue organization in exchange for the payment of an adoption fee; or

(b) An abandoned vehicle sold by a registered tow truck operator to a successful bidder at public auction or, if there is no successful bidder, to a licensed vehicle wrecker, hulk hauler, or scrap processor, as provided in RCW 46.55.130. Nothing in this subsection (1)(b) may be construed as providing an exemption from:

(i) The tax imposed by chapter 82.12 RCW on the use of an abandoned vehicle by any consumer; or

(ii) Taxes imposed under this chapter and chapter 82.08 RCW on automobile towing and automobile storage services provided by a registered tow truck operator.

(2) "Casual or isolated sale" means a sale made by a person who is not engaged in the business of selling the type of property involved.

(3)(a) "Lease or rental" means any transfer of possession or control of tangible personal property for a fixed or indeterminate term for consideration. A lease or rental may include future options to purchase or extend. "Lease or rental" includes agreements covering motor vehicles and trailers where the amount of consideration may be increased or decreased by reference to the amount realized upon sale or disposition of the property as defined in 26 U.S.C. Sec. 7701(h)(1), as amended or renumbered as of January 1, 2003. The definition in this subsection (3) must be used for sales and use tax purposes regardless if a transaction is characterized as a lease or rental under generally accepted accounting principles, the United States internal revenue code,

Washington state's commercial code, or other provisions of federal, state, or local law.

(b) "Lease or rental" does not include:

(i) A transfer of possession or control of property under a security agreement or deferred payment plan that requires the transfer of title upon completion of the required payments;

(ii) A transfer of possession or control of property under an agreement that requires the transfer of title upon completion of required payments, and payment of an option price does not exceed the greater of one hundred dollars or one percent of the total required payments; or

(iii) Providing tangible personal property along with an operator for a fixed or indeterminate period of time. A condition of this exclusion is that the operator is necessary for the tangible personal property to perform as designed. For the purpose of this subsection (3)(b)(iii), an operator must do more than maintain, inspect, or set up the tangible personal property.

(4)(a) "Adoption fee" means an amount charged by an animal rescue organization to adopt an animal, except that "adoption fee" does not include any separately itemized charge for any incidental inanimate items provided to persons adopting an animal, including food, identification tags, collars, and leashes.

(b) "Animal care and control agency" means the same as in RCW 16.52.011 and also includes any similar entity operating outside of this state.

(c) "Animal rescue group" means a nonprofit organization that:

(i)(A) Is exempt from federal income taxation under 26 U.S.C. Sec. 501(c) of the federal internal revenue code as it exists on July 23, 2017; or

(B) Is registered as a charity with the Washington secretary of state under chapter 19.09 RCW, whether such registration is required by law or voluntary;

(ii) Has as its primary purpose the prevention of abuse, neglect, cruelty, exploitation, or homelessness of animals; and

(iii) Exclusively obtains dogs, cats, or other animals for placement that are:

(A) Stray or abandoned;

(B) Surrendered or relinquished by animal owners or caretakers;

(C) Transferred from other animal rescue organizations; or

(D) Born in the care of such nonprofit organization other than through intentional breeding by the nonprofit organization.

(d) "Animal rescue organization" means an animal care and control agency or an animal rescue group.

NEW SECTION. Sec. 3. This act expires January 1, 2030.

Passed by the Senate March 12, 2019.

Passed by the House April 27, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 358

[Engrossed Substitute Senate Bill 5688]

ATHLETIC TRAINERS--VARIOUS PROVISIONS

AN ACT Relating to athletic trainers; amending RCW 18.250.040, 18.250.050, 43.70.442, and 43.70.442; reenacting and amending RCW 69.41.010; adding a new section to chapter 18.250 RCW; providing an effective date; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 18.250.040 and 2007 c 253 s 5 are each amended to read as follows:

(1) It is unlawful for any person to practice or offer to practice as an athletic trainer, or to represent themselves or other persons to be legally able to provide services as an athletic trainer, unless the person is licensed under the provisions of this chapter.

(2) No person may use the title "athletic trainer," the letters "ATC" or "LAT," the terms "sports trainer," "team trainer," "trainer," or any other words, abbreviations, or insignia in connection with his or her name to indicate or imply, directly or indirectly, that he or she is an athletic trainer without being licensed in accordance with this chapter as an athletic trainer.

Sec. 2. RCW 18.250.050 and 2007 c 253 s 6 are each amended to read as follows:

Nothing in this chapter may prohibit, restrict, or require licensure of:

(1) Any person licensed, certified, or registered in this state and performing services within the authorized scope of practice;

(2) The practice by an individual employed by the government of the United States as an athletic trainer while engaged in the performance of duties prescribed by the laws of the United States;

(3) Any person pursuing a supervised course of study in an accredited athletic training educational program, if the person is designated by a title that clearly indicates a student or trainee status;

(4) An athletic trainer from another state for purposes of continuing education, consulting, or performing athletic training services while accompanying his or her group, individual, or representatives into Washington state on a temporary basis for no more than ninety days in a calendar year;

(5) Any elementary, secondary, or postsecondary school teacher, educator, or coach (~~or authorized volunteer~~) who does not represent themselves to the public as an athletic trainer; or

(6) A personal or fitness trainer employed by an athletic club or fitness center and not representing themselves as an athletic trainer or performing the duties of an athletic trainer provided under RCW 18.250.010(4)(a) (i) through (vi).

NEW SECTION. Sec. 3. A new section is added to chapter 18.250 RCW to read as follows:

(1) An athletic trainer licensed under this chapter may purchase, store, and administer over-the-counter topical medications such as hydrocortisone, fluocinonide, topical anesthetics, silver sulfadiazine, lidocaine, magnesium sulfate, zinc oxide, and other similar medications, as prescribed by an authorized health care practitioner for the practice of athletic training.

(a) An athletic trainer may not administer any medications to a student in a public school as defined in RCW 28A.150.010 or private schools governed by chapter 28A.195 RCW.

(b) An athletic trainer may administer medications consistent with this section to a minor in a setting other than a school, if the minor's parent or guardian provides written consent.

(2) An athletic trainer licensed under this chapter who has completed an anaphylaxis training program in accordance with RCW 70.54.440 may administer an epinephrine autoinjector to any individual who the athletic trainer believes in good faith is experiencing anaphylaxis as authorized by RCW 70.54.440.

Sec. 4. RCW 43.70.442 and 2016 c 90 s 5 are each amended to read as follows:

(1)(a) Each of the following professionals certified or licensed under Title 18 RCW shall, at least once every six years, complete training in suicide assessment, treatment, and management that is approved, in rule, by the relevant disciplining authority:

- (i) An adviser or counselor certified under chapter 18.19 RCW;
- (ii) A chemical dependency professional licensed under chapter 18.205 RCW;
- (iii) A marriage and family therapist licensed under chapter 18.225 RCW;
- (iv) A mental health counselor licensed under chapter 18.225 RCW;
- (v) An occupational therapy practitioner licensed under chapter 18.59 RCW;
- (vi) A psychologist licensed under chapter 18.83 RCW;
- (vii) An advanced social worker or independent clinical social worker licensed under chapter 18.225 RCW; and
- (viii) A social worker associate—advanced or social worker associate— independent clinical licensed under chapter 18.225 RCW.

(b) The requirements in (a) of this subsection apply to a person holding a retired active license for one of the professions in (a) of this subsection.

(c) The training required by this subsection must be at least six hours in length, unless a disciplining authority has determined, under subsection (10)(b) of this section, that training that includes only screening and referral elements is appropriate for the profession in question, in which case the training must be at least three hours in length.

(d) Beginning July 1, 2017, the training required by this subsection must be on the model list developed under subsection (6) of this section. Nothing in this subsection (1)(d) affects the validity of training completed prior to July 1, 2017.

(2)(a) Except as provided in (b) of this subsection, a professional listed in subsection (1)(a) of this section must complete the first training required by this section by the end of the first full continuing education reporting period after January 1, 2014, or during the first full continuing education reporting period after initial licensure or certification, whichever occurs later.

(b) A professional listed in subsection (1)(a) of this section applying for initial licensure may delay completion of the first training required by this section for six years after initial licensure if he or she can demonstrate successful completion of the training required in subsection (1) of this section no more than six years prior to the application for initial licensure.

(3) The hours spent completing training in suicide assessment, treatment, and management under this section count toward meeting any applicable continuing education or continuing competency requirements for each profession.

(4)(a) A disciplining authority may, by rule, specify minimum training and experience that is sufficient to exempt an individual professional from the training requirements in subsections (1) and (5) of this section. Nothing in this subsection (4)(a) allows a disciplining authority to provide blanket exemptions to broad categories or specialties within a profession.

(b) A disciplining authority may exempt a professional from the training requirements of subsections (1) and (5) of this section if the professional has only brief or limited patient contact.

(5)(a) Each of the following professionals credentialed under Title 18 RCW shall complete a one-time training in suicide assessment, treatment, and management that is approved by the relevant disciplining authority:

(i) A chiropractor licensed under chapter 18.25 RCW;

(ii) A naturopath licensed under chapter 18.36A RCW;

(iii) A licensed practical nurse, registered nurse, or advanced registered nurse practitioner, other than a certified registered nurse anesthetist, licensed under chapter 18.79 RCW;

(iv) An osteopathic physician and surgeon licensed under chapter 18.57 RCW, other than a holder of a postgraduate osteopathic medicine and surgery license issued under RCW 18.57.035;

(v) An osteopathic physician assistant licensed under chapter 18.57A RCW;

(vi) A physical therapist or physical therapist assistant licensed under chapter 18.74 RCW;

(vii) A physician licensed under chapter 18.71 RCW, other than a resident holding a limited license issued under RCW 18.71.095(3);

(viii) A physician assistant licensed under chapter 18.71A RCW;

(ix) A pharmacist licensed under chapter 18.64 RCW; ~~(and)~~

(x) An athletic trainer licensed under chapter 18.250 RCW; and

(xi) A person holding a retired active license for one of the professions listed in (a)(i) through ~~((ix))~~ (x) of this subsection.

(b)(i) A professional listed in (a)(i) through (viii) of this subsection or a person holding a retired active license for one of the professions listed in (a)(i) through (viii) of this subsection must complete the one-time training by the end of the first full continuing education reporting period after January 1, 2016, or during the first full continuing education reporting period after initial licensure, whichever is later. Training completed between June 12, 2014, and January 1, 2016, that meets the requirements of this section, other than the timing requirements of this subsection (5)(b), must be accepted by the disciplining authority as meeting the one-time training requirement of this subsection (5).

(ii) A licensed pharmacist or a person holding a retired active pharmacist license must complete the one-time training by the end of the first full continuing education reporting period after January 1, 2017, or during the first full continuing education reporting period after initial licensure, whichever is later.

(c) The training required by this subsection must be at least six hours in length, unless a disciplining authority has determined, under subsection (10)(b)

of this section, that training that includes only screening and referral elements is appropriate for the profession in question, in which case the training must be at least three hours in length.

(d) Beginning July 1, 2017, the training required by this subsection must be on the model list developed under subsection (6) of this section. Nothing in this subsection (5)(d) affects the validity of training completed prior to July 1, 2017.

(6)(a) The secretary and the disciplining authorities shall work collaboratively to develop a model list of training programs in suicide assessment, treatment, and management.

(b) The secretary and the disciplining authorities shall update the list at least once every two years.

(c) By June 30, 2016, the department shall adopt rules establishing minimum standards for the training programs included on the model list. The minimum standards must require that six-hour trainings include content specific to veterans and the assessment of issues related to imminent harm via lethal means or self-injurious behaviors and that three-hour trainings for pharmacists include content related to the assessment of issues related to imminent harm via lethal means. When adopting the rules required under this subsection (6)(c), the department shall:

(i) Consult with the affected disciplining authorities, public and private institutions of higher education, educators, experts in suicide assessment, treatment, and management, the Washington department of veterans affairs, and affected professional associations; and

(ii) Consider standards related to the best practices registry of the American foundation for suicide prevention and the suicide prevention resource center.

(d) Beginning January 1, 2017:

(i) The model list must include only trainings that meet the minimum standards established in the rules adopted under (c) of this subsection and any three-hour trainings that met the requirements of this section on or before July 24, 2015;

(ii) The model list must include six-hour trainings in suicide assessment, treatment, and management, and three-hour trainings that include only screening and referral elements; and

(iii) A person or entity providing the training required in this section may petition the department for inclusion on the model list. The department shall add the training to the list only if the department determines that the training meets the minimum standards established in the rules adopted under (c) of this subsection.

(7) The department shall provide the health profession training standards created in this section to the professional educator standards board as a model in meeting the requirements of RCW 28A.410.226 and provide technical assistance, as requested, in the review and evaluation of educator training programs. The educator training programs approved by the professional educator standards board may be included in the department's model list.

(8) Nothing in this section may be interpreted to expand or limit the scope of practice of any profession regulated under chapter 18.130 RCW.

(9) The secretary and the disciplining authorities affected by this section shall adopt any rules necessary to implement this section.

(10) For purposes of this section:

(a) "Disciplining authority" has the same meaning as in RCW 18.130.020.

(b) "Training in suicide assessment, treatment, and management" means empirically supported training approved by the appropriate disciplining authority that contains the following elements: Suicide assessment, including screening and referral, suicide treatment, and suicide management. However, the disciplining authority may approve training that includes only screening and referral elements if appropriate for the profession in question based on the profession's scope of practice. The board of occupational therapy may also approve training that includes only screening and referral elements if appropriate for occupational therapy practitioners based on practice setting.

(11) A state or local government employee is exempt from the requirements of this section if he or she receives a total of at least six hours of training in suicide assessment, treatment, and management from his or her employer every six years. For purposes of this subsection, the training may be provided in one six-hour block or may be spread among shorter training sessions at the employer's discretion.

(12) An employee of a community mental health agency licensed under chapter 71.24 RCW or a chemical dependency program certified under chapter ((70.96A)) 71.24 RCW is exempt from the requirements of this section if he or she receives a total of at least six hours of training in suicide assessment, treatment, and management from his or her employer every six years. For purposes of this subsection, the training may be provided in one six-hour block or may be spread among shorter training sessions at the employer's discretion.

Sec. 5. RCW 43.70.442 and 2017 c 262 s 4 are each amended to read as follows:

(1)(a) Each of the following professionals certified or licensed under Title 18 RCW shall, at least once every six years, complete training in suicide assessment, treatment, and management that is approved, in rule, by the relevant disciplining authority:

(i) An adviser or counselor certified under chapter 18.19 RCW;

(ii) A chemical dependency professional licensed under chapter 18.205 RCW;

(iii) A marriage and family therapist licensed under chapter 18.225 RCW;

(iv) A mental health counselor licensed under chapter 18.225 RCW;

(v) An occupational therapy practitioner licensed under chapter 18.59 RCW;

(vi) A psychologist licensed under chapter 18.83 RCW;

(vii) An advanced social worker or independent clinical social worker licensed under chapter 18.225 RCW; and

(viii) A social worker associate—advanced or social worker associate— independent clinical licensed under chapter 18.225 RCW.

(b) The requirements in (a) of this subsection apply to a person holding a retired active license for one of the professions in (a) of this subsection.

(c) The training required by this subsection must be at least six hours in length, unless a disciplining authority has determined, under subsection (10)(b) of this section, that training that includes only screening and referral elements is appropriate for the profession in question, in which case the training must be at least three hours in length.

(d) Beginning July 1, 2017, the training required by this subsection must be on the model list developed under subsection (6) of this section. Nothing in this subsection (1)(d) affects the validity of training completed prior to July 1, 2017.

(2)(a) Except as provided in (b) of this subsection, a professional listed in subsection (1)(a) of this section must complete the first training required by this section by the end of the first full continuing education reporting period after January 1, 2014, or during the first full continuing education reporting period after initial licensure or certification, whichever occurs later.

(b) A professional listed in subsection (1)(a) of this section applying for initial licensure may delay completion of the first training required by this section for six years after initial licensure if he or she can demonstrate successful completion of the training required in subsection (1) of this section no more than six years prior to the application for initial licensure.

(3) The hours spent completing training in suicide assessment, treatment, and management under this section count toward meeting any applicable continuing education or continuing competency requirements for each profession.

(4)(a) A disciplining authority may, by rule, specify minimum training and experience that is sufficient to exempt an individual professional from the training requirements in subsections (1) and (5) of this section. Nothing in this subsection (4)(a) allows a disciplining authority to provide blanket exemptions to broad categories or specialties within a profession.

(b) A disciplining authority may exempt a professional from the training requirements of subsections (1) and (5) of this section if the professional has only brief or limited patient contact.

(5)(a) Each of the following professionals credentialed under Title 18 RCW shall complete a one-time training in suicide assessment, treatment, and management that is approved by the relevant disciplining authority:

- (i) A chiropractor licensed under chapter 18.25 RCW;
- (ii) A naturopath licensed under chapter 18.36A RCW;
- (iii) A licensed practical nurse, registered nurse, or advanced registered nurse practitioner, other than a certified registered nurse anesthetist, licensed under chapter 18.79 RCW;
- (iv) An osteopathic physician and surgeon licensed under chapter 18.57 RCW, other than a holder of a postgraduate osteopathic medicine and surgery license issued under RCW 18.57.035;
- (v) An osteopathic physician assistant licensed under chapter 18.57A RCW;
- (vi) A physical therapist or physical therapist assistant licensed under chapter 18.74 RCW;
- (vii) A physician licensed under chapter 18.71 RCW, other than a resident holding a limited license issued under RCW 18.71.095(3);
- (viii) A physician assistant licensed under chapter 18.71A RCW;
- (ix) A pharmacist licensed under chapter 18.64 RCW;
- (x) A dentist licensed under chapter 18.32 RCW;
- (xi) A dental hygienist licensed under chapter 18.29 RCW; ~~((and))~~
- (xii) An athletic trainer licensed under chapter 18.250 RCW; and
- (xiii) A person holding a retired active license for one of the professions listed in (a)(i) through ~~((xii))~~ (xii) of this subsection.

(b)(i) A professional listed in (a)(i) through (viii) of this subsection or a person holding a retired active license for one of the professions listed in (a)(i) through (viii) of this subsection must complete the one-time training by the end of the first full continuing education reporting period after January 1, 2016, or during the first full continuing education reporting period after initial licensure, whichever is later. Training completed between June 12, 2014, and January 1, 2016, that meets the requirements of this section, other than the timing requirements of this subsection (5)(b), must be accepted by the disciplining authority as meeting the one-time training requirement of this subsection (5).

(ii) A licensed pharmacist or a person holding a retired active pharmacist license must complete the one-time training by the end of the first full continuing education reporting period after January 1, 2017, or during the first full continuing education reporting period after initial licensure, whichever is later.

(iii) A licensed dentist, a licensed dental hygienist, or a person holding a retired active license as a dentist shall complete the one-time training by the end of the full continuing education reporting period after August 1, 2020, or during the first full continuing education reporting period after initial licensure, whichever is later. Training completed between July 23, 2017, and August 1, 2020, that meets the requirements of this section, other than the timing requirements of this subsection (5)(b)(iii), must be accepted by the disciplining authority as meeting the one-time training requirement of this subsection (5).

(c) The training required by this subsection must be at least six hours in length, unless a disciplining authority has determined, under subsection (10)(b) of this section, that training that includes only screening and referral elements is appropriate for the profession in question, in which case the training must be at least three hours in length.

(d) Beginning July 1, 2017, the training required by this subsection must be on the model list developed under subsection (6) of this section. Nothing in this subsection (5)(d) affects the validity of training completed prior to July 1, 2017.

(6)(a) The secretary and the disciplining authorities shall work collaboratively to develop a model list of training programs in suicide assessment, treatment, and management.

(b) The secretary and the disciplining authorities shall update the list at least once every two years.

(c) By June 30, 2016, the department shall adopt rules establishing minimum standards for the training programs included on the model list. The minimum standards must require that six-hour trainings include content specific to veterans and the assessment of issues related to imminent harm via lethal means or self-injurious behaviors and that three-hour trainings for pharmacists or dentists include content related to the assessment of issues related to imminent harm via lethal means. When adopting the rules required under this subsection (6)(c), the department shall:

(i) Consult with the affected disciplining authorities, public and private institutions of higher education, educators, experts in suicide assessment, treatment, and management, the Washington department of veterans affairs, and affected professional associations; and

(ii) Consider standards related to the best practices registry of the American foundation for suicide prevention and the suicide prevention resource center.

(d) Beginning January 1, 2017:

(i) The model list must include only trainings that meet the minimum standards established in the rules adopted under (c) of this subsection and any three-hour trainings that met the requirements of this section on or before July 24, 2015;

(ii) The model list must include six-hour trainings in suicide assessment, treatment, and management, and three-hour trainings that include only screening and referral elements; and

(iii) A person or entity providing the training required in this section may petition the department for inclusion on the model list. The department shall add the training to the list only if the department determines that the training meets the minimum standards established in the rules adopted under (c) of this subsection.

(7) The department shall provide the health profession training standards created in this section to the professional educator standards board as a model in meeting the requirements of RCW 28A.410.226 and provide technical assistance, as requested, in the review and evaluation of educator training programs. The educator training programs approved by the professional educator standards board may be included in the department's model list.

(8) Nothing in this section may be interpreted to expand or limit the scope of practice of any profession regulated under chapter 18.130 RCW.

(9) The secretary and the disciplining authorities affected by this section shall adopt any rules necessary to implement this section.

(10) For purposes of this section:

(a) "Disciplining authority" has the same meaning as in RCW 18.130.020.

(b) "Training in suicide assessment, treatment, and management" means empirically supported training approved by the appropriate disciplining authority that contains the following elements: Suicide assessment, including screening and referral, suicide treatment, and suicide management. However, the disciplining authority may approve training that includes only screening and referral elements if appropriate for the profession in question based on the profession's scope of practice. The board of occupational therapy may also approve training that includes only screening and referral elements if appropriate for occupational therapy practitioners based on practice setting.

(11) A state or local government employee is exempt from the requirements of this section if he or she receives a total of at least six hours of training in suicide assessment, treatment, and management from his or her employer every six years. For purposes of this subsection, the training may be provided in one six-hour block or may be spread among shorter training sessions at the employer's discretion.

(12) An employee of a community mental health agency licensed under chapter 71.24 RCW or a chemical dependency program certified under chapter ~~(70.96A)~~ 71.24 RCW is exempt from the requirements of this section if he or she receives a total of at least six hours of training in suicide assessment, treatment, and management from his or her employer every six years. For purposes of this subsection, the training may be provided in one six-hour block or may be spread among shorter training sessions at the employer's discretion.

Sec. 6. RCW 69.41.010 and 2016 c 148 s 10 and 2016 c 97 s 2 are each reenacted and amended to read as follows:

As used in this chapter, the following terms have the meanings indicated unless the context clearly requires otherwise:

(1) "Administer" means the direct application of a legend drug whether by injection, inhalation, ingestion, or any other means, to the body of a patient or research subject by:

(a) A practitioner; or

(b) The patient or research subject at the direction of the practitioner.

(2) "Commission" means the pharmacy quality assurance commission.

(3) "Community-based care settings" include: Community residential programs for persons with developmental disabilities, certified by the department of social and health services under chapter 71A.12 RCW; adult family homes licensed under chapter 70.128 RCW; and assisted living facilities licensed under chapter 18.20 RCW. Community-based care settings do not include acute care or skilled nursing facilities.

(4) "Deliver" or "delivery" means the actual, constructive, or attempted transfer from one person to another of a legend drug, whether or not there is an agency relationship.

(5) "Department" means the department of health.

(6) "Dispense" means the interpretation of a prescription or order for a legend drug and, pursuant to that prescription or order, the proper selection, measuring, compounding, labeling, or packaging necessary to prepare that prescription or order for delivery.

(7) "Dispenser" means a practitioner who dispenses.

(8) "Distribute" means to deliver other than by administering or dispensing a legend drug.

(9) "Distributor" means a person who distributes.

(10) "Drug" means:

(a) Substances recognized as drugs in the official United States pharmacopoeia, official homeopathic pharmacopoeia of the United States, or official national formulary, or any supplement to any of them;

(b) Substances intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in human beings or animals;

(c) Substances (other than food, minerals or vitamins) intended to affect the structure or any function of the body of human beings or animals; and

(d) Substances intended for use as a component of any article specified in (a), (b), or (c) of this subsection. It does not include devices or their components, parts, or accessories.

(11) "Electronic communication of prescription information" means the transmission of a prescription or refill authorization for a drug of a practitioner using computer systems. The term does not include a prescription or refill authorization transmitted verbally by telephone nor a facsimile manually signed by the practitioner.

(12) "In-home care settings" include an individual's place of temporary and permanent residence, but does not include acute care or skilled nursing facilities, and does not include community-based care settings.

(13) "Legend drugs" means any drugs which are required by state law or regulation of the pharmacy quality assurance commission to be dispensed on prescription only or are restricted to use by practitioners only.

(14) "Legible prescription" means a prescription or medication order issued by a practitioner that is capable of being read and understood by the pharmacist filling the prescription or the nurse or other practitioner implementing the medication order. A prescription must be hand printed, typewritten, or electronically generated.

(15) "Medication assistance" means assistance rendered by a nonpractitioner to an individual residing in a community-based care setting or in-home care setting to facilitate the individual's self-administration of a legend drug or controlled substance. It includes reminding or coaching the individual, handing the medication container to the individual, opening the individual's medication container, using an enabler, or placing the medication in the individual's hand, and such other means of medication assistance as defined by rule adopted by the department. A nonpractitioner may help in the preparation of legend drugs or controlled substances for self-administration where a practitioner has determined and communicated orally or by written direction that such medication preparation assistance is necessary and appropriate. Medication assistance shall not include assistance with intravenous medications or injectable medications, except prefilled insulin syringes.

(16) "Person" means individual, corporation, government or governmental subdivision or agency, business trust, estate, trust, partnership or association, or any other legal entity.

(17) "Practitioner" means:

(a) A physician under chapter 18.71 RCW, an osteopathic physician or an osteopathic physician and surgeon under chapter 18.57 RCW, a dentist under chapter 18.32 RCW, a podiatric physician and surgeon under chapter 18.22 RCW, an East Asian medicine practitioner to the extent authorized under chapter 18.06 RCW and the rules adopted under RCW 18.06.010(1)(j), a veterinarian under chapter 18.92 RCW, a registered nurse, advanced registered nurse practitioner, or licensed practical nurse under chapter 18.79 RCW, an optometrist under chapter 18.53 RCW who is certified by the optometry board under RCW 18.53.010, an osteopathic physician assistant under chapter 18.57A RCW, a physician assistant under chapter 18.71A RCW, a naturopath licensed under chapter 18.36A RCW, a licensed athletic trainer to the extent authorized under chapter 18.250 RCW, a pharmacist under chapter 18.64 RCW, or, when acting under the required supervision of a dentist licensed under chapter 18.32 RCW, a dental hygienist licensed under chapter 18.29 RCW;

(b) A pharmacy, hospital, or other institution licensed, registered, or otherwise permitted to distribute, dispense, conduct research with respect to, or to administer a legend drug in the course of professional practice or research in this state; and

(c) A physician licensed to practice medicine and surgery or a physician licensed to practice osteopathic medicine and surgery in any state, or province of Canada, which shares a common border with the state of Washington.

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

NEW SECTION. Sec. 7. Section 4 of this act expires August 1, 2020.

NEW SECTION. Sec. 8. Section 5 of this act takes effect August 1, 2020.

Passed by the Senate April 22, 2019.

Passed by the House April 10, 2019.

Approved by the Governor May 9, 2019.
Filed in Office of Secretary of State May 13, 2019.

CHAPTER 359

[Substitute Senate Bill 5714]

RELIABILITY OF EVIDENCE IN CRIMINAL PROCEEDINGS--EYEWITNESSES AND INFORMANTS

AN ACT Relating to the reliability of evidence in criminal proceedings; adding a new chapter to Title 10 RCW; and providing expiration dates.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. INTENT. The legislature recognizes that prosecuting attorneys, law enforcement, and society at large strive for a criminal justice system that minimizes the risk actually innocent people will be convicted. The legislature further recognizes that mistaken identification by witnesses to crime and false testimony by informants who are given benefits in exchange for their testimony have contributed to the conviction of the innocent in Washington state. Through the development of best practices related to the collection of eyewitness evidence and the use of informant witnesses, and the adoption of model guidelines to implement those practices, the legislature aims to improve the quality of such evidence and reduce the risk of wrongful conviction related to these contributing factors.

NEW SECTION. Sec. 2. EYEWITNESS EVIDENCE WORK GROUP.
(1) The Washington association of sheriffs and police chiefs shall administer a work group for the purpose of maximizing the reliability of eyewitness evidence collected during criminal investigations.

(2) The president of the senate and the speaker of the house of representatives shall jointly appoint the members of the work group to include the following:

- (a) One member representing the senate;
- (b) One member representing the house of representatives;
- (c) The chief of the Washington state patrol or the chief's designee;
- (d) One member representing the criminal justice training commission with expertise in developing law enforcement training curricula;
- (e) The executive director of the Washington association of sheriffs and police chiefs or the executive director's designee;
- (f) Two members representing the Washington association of prosecuting attorneys, each from a diverse geographical location;
- (g) One member representing the Washington defender association;
- (h) One member representing the Washington association of criminal defense lawyers;
- (i) One member representing the Washington innocence project; and
- (j) One member from the scientific community with expertise in eyewitness memory.

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

(a) Developing model guidelines for the collection of eyewitness evidence consistent with the model policies adopted in 2015 by the Washington association of sheriffs and police chiefs and the Washington association of

prosecuting attorneys. The model guidelines must also: Be based on credible field, academic, or laboratory research on eyewitness memory; be designed to reduce erroneous eyewitness identifications and enhance the reliability and objectivity of eyewitness identifications; and include standards for blind administration of the identification procedure, filler selection, instructions to the witness, and documenting a statement of witness confidence immediately following any positive identification;

(b) Designing law enforcement training for the collection and documentation of eyewitness evidence based on the model guidelines developed pursuant to this subsection; and

(c) In consultation with the University of Washington Tacoma and the criminal justice training commission, designing a pilot project for implementing and evaluating the effectiveness of the training curriculum developed pursuant to this subsection.

(4) The work group shall hold its initial meeting no later than July 31, 2019, and complete the model guidelines, training curriculum, and proposal for the pilot project no later than November 30, 2019.

(5) The work group shall prepare and submit to the appropriate committees of the legislature a report, including a summary of its activities, the model guidelines, training curriculum, proposal for the pilot project, and other related recommendations by November 30, 2019.

(6) The work group shall function within existing resources.

(7) This section expires December 31, 2022.

NEW SECTION. Sec. 3. INFORMANT RELIABILITY WORK GROUP.

(1) For the purposes of this section, "informant" means any person who: (a) Was previously unconnected with the criminal case as either a witness or a codefendant; (b) claims to have relevant information about the crime; (c) is currently charged with a crime or is facing potential criminal charges or is in custody; and (d) at any time receives consideration in exchange for providing the information or testimony.

(2) The University of Washington school of law, in consultation with the Washington association of prosecuting attorneys and Washington innocence project, shall administer a work group on the reliability of informant testimony. The primary purposes of the work group are to adopt model guidelines and develop a training curriculum based on those guidelines to assist prosecuting attorneys in evaluating the reliability of information or testimony offered by an informant before it is used in connection with any criminal proceeding and in determining adequate preliminary disclosures to the defense.

(3) The president of the senate and the speaker of the house of representatives shall jointly appoint the members of the work group to include the following:

(a) One member representing the senate;

(b) One member representing the house of representatives;

(c) The executive director of the Washington association of sheriffs and police chiefs or the executive director's designee;

(d) Two members representing the Washington association of prosecuting attorneys, each from a diverse geographical location;

(e) One member representing the Washington defender association;

(f) One member representing the Washington association of criminal defense lawyers;

(g) One member representing the Washington innocence project; and

(h) One member of the board of the western states information network.

(4) The duties of the work group include, but are not limited to:

(a) Developing model guidelines for prosecutors to determine whether to use an informant in a criminal proceeding;

(b) Designing and implementing statewide training for prosecutors and defense counsel based on the model guidelines; and

(c) Collecting local protocols required under section 4 of this act.

(5) The work group shall hold its initial meeting no later than July 31, 2019, and complete the model guidelines and training curriculum no later than November 30, 2019.

(6) The work group shall coordinate with the Washington association of prosecuting attorneys, Washington defender association, and Washington association of criminal defense lawyers to make specialized training based on the training curriculum developed pursuant to subsection (4) of this section available to prosecuting attorneys and criminal defense attorneys.

(7) The work group shall prepare and submit to the appropriate committees of the legislature a report including the model guidelines, the training curriculum, and a summary of its work by November 30, 2019.

(8) The work group shall function within existing resources.

(9) This section expires December 31, 2022.

NEW SECTION. Sec. 4. LOCAL PROTOCOLS FOR THE USE OF INFORMANTS. (1) No later than December 31, 2020, each county prosecuting attorney shall:

(a) Adopt and implement a written local protocol for the use of informants consistent with the model guidelines developed pursuant to section 3 of this act, and submit a copy of the local protocol to the work group established in section 3 of this act; and

(b) Establish and maintain a central record of informants used in the course of criminal proceedings as well as formal offers to give testimony or other information. This record is the confidential work product of the office of the prosecuting attorney.

(2) If a county prosecutor adopts the model guidelines developed by the work group established under section 3 of this act, it has met the requirements of subsection (1)(a) of this section.

(3) If a county prosecutor chooses to adopt its own local protocol, the protocol must articulate adequate preliminary disclosures to the defense and include a list of procedures for prosecuting attorneys to follow when evaluating the reliability of an informant that includes:

(a) The complete criminal history of the informant including pending criminal charges;

(b) Any consideration provided in exchange for the information or testimony;

(c) Whether the informant's information or testimony was modified or recanted;

(d) The number of times the informant has previously provided information or testimony in exchange for consideration; and

(e) The kind and quality of other evidence corroborating the informant's information or testimony.

(4) Nothing in this section diminishes federal constitutional disclosure obligations to criminal defendants or any related obligations under Washington case law, statutes, or court rules.

(5) For the purposes of this section, "informant" means any person who: (a) Was previously unconnected with the criminal case as either a witness or a codefendant; (b) claims to have relevant information about the crime; (c) is currently charged with a crime or is facing potential criminal charges or is in custody; and (d) at any time receives consideration in exchange for providing the information or testimony.

NEW SECTION. Sec. 5. JURY INSTRUCTION FOR INFORMANT TESTIMONY. (1) If the testimony of an informant is admitted in a criminal proceeding, the prosecuting attorney or defendant may request a jury instruction on exercising caution in evaluating the credibility of an informant. Except when otherwise determined by the court, the instruction should be substantially similar to the following form:

"The testimony of an informant, given on behalf of the [State] [City] [County] in exchange for a legal advantage or other benefit, should be subjected to careful examination in the light of other evidence in the case, and should be acted upon with great caution. You, the jury, must weigh the credibility of his or her testimony. You should not find the defendant guilty upon such testimony alone unless, after carefully considering the testimony, you are satisfied beyond a reasonable doubt of its truth."

(2) For the purposes of this section, "informant" has the same meaning as in section 4 of this act.

NEW SECTION. Sec. 6. Sections 1 through 5 of this act constitute a new chapter in Title 10 RCW.

Passed by the Senate April 25, 2019.

Passed by the House April 15, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 360

[Second Substitute Senate Bill 5903]

CHILDREN'S MENTAL HEALTH--VARIOUS PROVISIONS

AN ACT Relating to implementing policies related to children's mental health as reviewed and recommended by the children's mental health work group; amending RCW 28B.30.357 and 28B.20.445; amending 2018 c 175 s 2 (uncodified); adding a new section to chapter 28A.415 RCW; adding new sections to chapter 74.09 RCW; adding a new section to chapter 43.216 RCW; creating new sections; providing effective dates; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. (1) The legislature finds that the children's mental health work group established in chapter 96, Laws of 2016 reported recommendations related to increasing access to mental health services for children and youth and that many of those recommendations were adopted by the 2017 and 2018 legislatures. The legislature further finds that additional work

is needed to improve mental health support for children and families and that the children's mental health work group was reestablished for this purpose in chapter 175, Laws of 2018.

(2) The legislature finds that there is a workforce shortage of behavioral health professionals and that increasing medicaid rates to a level that is equal to medicare rates will increase the number of providers who will serve children and families on medicaid. Further, the legislature finds that there is a need to increase the cultural and linguistic diversity among children's behavioral health professionals and that hiring practices, professional training, and high-quality translations of accreditation and licensing exams should be implemented to incentivize this diversity in the workforce.

(3) Therefore, the legislature intends to implement the recommendations adopted by the children's mental health work group in January 2019, in order to improve mental health care access for children and their families.

Sec. 2. 2018 c 175 s 2 (uncodified) is amended to read as follows:

(1) A children's mental health work group is established to identify barriers to and opportunities for accessing mental health services for children and families and to advise the legislature on statewide mental health services for this population.

(2) The work group shall consist of members and alternates as provided in this subsection. Members must represent the regional, racial, and cultural diversity of all children and families in the state. Members of the children's mental health work group created in chapter 96, Laws of 2016, and serving on the work group as of December 1, 2017, may continue to serve as members of the work group without reappointment.

(a) The president of the senate shall appoint one member and one alternate from each of the two largest caucuses in the senate.

(b) The speaker of the house of representatives shall appoint one member and one alternate from each of the two largest caucuses in the house of representatives.

(c) The governor shall appoint six members representing the following state agencies and offices: The department of children, youth, and families; the department of social and health services; the health care authority; the department of health; the office of homeless youth prevention and protection programs; and the office of the governor.

(d) The governor shall appoint one member representing each of the following:

- (i) Behavioral health organizations;
- (ii) Community mental health agencies;
- (iii) Medicaid managed care organizations;
- (iv) A regional provider of co-occurring disorder services;
- (v) Pediatricians or primary care providers;
- (vi) Providers specializing in infant or early childhood mental health;
- (vii) Child health advocacy groups;
- (viii) Early learning and child care providers;
- (ix) The evidence-based practice institute;
- (x) Parents or caregivers who have been the recipient of early childhood mental health services;

(xi) An education or teaching institution that provides training for mental health professionals;

(xii) Foster parents;

(xiii) Providers of culturally and linguistically appropriate health services to traditionally underserved communities;

(xiv) Pediatricians located east of the crest of the Cascade mountains; and

(xv) Child psychiatrists.

(e) The governor shall request participation by a representative of tribal governments.

(f) The superintendent of public instruction shall appoint one representative from the office of the superintendent of public instruction.

(g) The insurance commissioner shall appoint one representative from the office of the insurance commissioner.

(h) The work group shall choose its cochairst, one from among its legislative members and one from among the executive branch members. The representative from the health care authority shall convene at least two, but not more than four, meetings of the work group each year.

(i) The cochairst may invite additional members of the house of representatives and the senate to participate in work group activities, including as leaders of advisory groups to the workgroup. These legislators are not required to be formally appointed members of the work group in order to participate in or lead advisory groups.

(3) The work group shall:

(a) Monitor the implementation of enacted legislation, programs, and policies related to children's mental health, including provider payment for depression screenings for youth and new mothers, consultation services for child care providers caring for children with symptoms of trauma, home visiting services, and streamlining agency rules for providers of behavioral health services;

(b) Consider system strategies to improve coordination and remove barriers between the early learning, K-12 education, and health care systems; and

(c) Identify opportunities to remove barriers to treatment and strengthen mental health service delivery for children and youth.

(4) At the direction of the cochairst, the work group may convene advisory groups to evaluate specific issues and report related findings and recommendations to the full work group.

(5)(a) The work group shall convene an advisory group to develop a funding model for:

(i) The partnership access line activities described in RCW 71.24.061, including the partnership access line for moms and kids and community referral facilitation;

(ii) Delivering partnership access line services to educational service districts for the training and support of school staff managing children with challenging behaviors; and

(iii) Expanding partnership access line consultation services to include consultation for health care professionals serving adults.

(b) The work group cochairst shall invite representatives from the following organizations and interests to participate as advisory group members under this subsection:

- (i) Private insurance carriers;
- (ii) Medicaid managed care plans;
- (iii) Self-insured organizations;
- (iv) Seattle children's hospital;
- (v) The partnership access line;
- (vi) The office of the insurance commissioner;
- (vii) The University of Washington school of medicine; and
- (viii) Other organizations and individuals, as determined by the cochairs.

(c) The funding model must build upon previous funding model efforts by the health care authority, including work completed pursuant to chapter 288, Laws of 2018. The funding model must:

(i) Determine the annual cost of operating the partnership access line and its various components and collect a proportional share of program cost from each health insurance carrier; and

(ii) Differentiate between partnership access line activities eligible for medicaid funding and activities that are nonmedicaid eligible.

(d) By December 1, 2019, the advisory group formed under this subsection must deliver the funding model and any associated recommendations to the work group.

(6) Staff support for the work group, including administration of work group meetings and preparation of the updated report required under subsection ~~((6))~~ (8) of this section, must be provided by the health care authority. Additional staff support for legislative members of the work group may be provided by senate committee services and the house of representatives office of program research.

~~((5))~~ (7) Legislative members of the work group are reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW. Advisory group members who are not members of the work group are not entitled to reimbursement.

~~((6))~~ (8) The work group shall update the findings and recommendations reported to the legislature by the children's mental health work group in December 2016 pursuant to chapter 96, Laws of 2016. The work group must submit the updated report to the governor and the appropriate committees of the legislature by December 1, 2020.

~~((7))~~ (9) This section expires December 30, 2020.

NEW SECTION. Sec. 3. A new section is added to chapter 28A.415 RCW to read as follows:

Beginning in the 2020-21 school year, and every other school year thereafter, school districts must use one of the professional learning days funded under RCW 28A.150.415 to train school district staff in one or more of the following topics: Social-emotional learning, trauma-informed practices, using the model plan developed under RCW 28A.320.1271 related to recognition and response to emotional or behavioral distress, consideration of adverse childhood experiences, mental health literacy, antibullying strategies, or culturally sustaining practices.

Sec. 4. RCW 28B.30.357 and 2017 c 202 s 9 are each amended to read as follows:

Subject to the availability of amounts appropriated for this specific purpose, Washington State University shall offer ~~((one))~~ two twenty-four month residency positions that ~~((is))~~ are approved by the accreditation council for graduate medical education to ~~((one))~~ two residents specializing in child and adolescent psychiatry. The ~~((residency))~~ positions must each include a minimum of ~~((twelve))~~ eighteen months of training in settings where children's mental health services are provided under the supervision of experienced psychiatric consultants and must be located east of the crest of the Cascade mountains.

Sec. 5. RCW 28B.20.445 and 2018 c 175 s 11 are each amended to read as follows:

Subject to the availability of amounts appropriated for this specific purpose, the child and adolescent psychiatry residency program at the University of Washington shall offer ~~((one))~~ two additional twenty-four month residency positions that ~~((is))~~ are approved by the accreditation council for graduate medical education to ~~((one))~~ two residents specializing in child and adolescent psychiatry. The ~~((residency))~~ positions must each include a minimum of ~~((twelve))~~ eighteen months of training in settings where children's mental health services are provided under the supervision of experienced psychiatric consultants and must be located west of the crest of the Cascade mountains.

NEW SECTION. Sec. 6. A new section is added to chapter 74.09 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the authority shall collaborate with the University of Washington and a professional association of licensed community behavioral health agencies to develop a statewide plan to implement evidence-based coordinated specialty care programs that provide early identification and intervention for psychosis in licensed and certified community behavioral health agencies. The authority must submit the statewide plan to the governor and the legislature by March 1, 2020. The statewide plan must include:

(a) Analysis of existing benefit packages, payment rates, and resource gaps, including needs for nonmedicaid resources;

(b) Development of a discrete benefit package and case rate for coordinated specialty care;

(c) Identification of costs for statewide start-up, training, and community outreach;

(d) Determination of the number of coordinated specialty care teams needed in each regional service area; and

(e) A timeline for statewide implementation.

(2) The authority shall ensure that:

(a) At least one coordinated specialty care team is starting up or in operation in each regional service area by October 1, 2020; and

(b) Each regional service area has an adequate number of coordinated specialty care teams based on incidence and population across the state by December 31, 2023.

(3) This section expires June 30, 2024.

NEW SECTION. Sec. 7. A new section is added to chapter 43.216 RCW to read as follows:

The department of children, youth, and families must enter into a contractual agreement with an organization providing coaching services to early achievers program participants to hire one qualified mental health consultant for each of the six department-designated regions. The consultants must support early achievers program coaches and child care providers by providing resources, information, and guidance regarding challenging behavior and expulsions and may travel to assist providers in serving families and children with severe behavioral needs. In coordination with the contractor, the department of children, youth, and families must report on the services provided and the outcomes of the consultant activities to the governor and the appropriate policy and fiscal committees of the legislature by June 30, 2021.

NEW SECTION. Sec. 8. Section 2 of this act is added to chapter 74.09 RCW.

NEW SECTION. Sec. 9. Section 4 of this act takes effect July 1, 2020.

NEW SECTION. Sec. 10. Section 5 of this act takes effect July 1, 2022.

NEW SECTION. Sec. 11. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2019, in the omnibus appropriations act, this act is null and void.

Passed by the Senate April 18, 2019.

Passed by the House April 12, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 361

[Engrossed Substitute House Bill 1107]

LOW-INCOME HOUSING DEVELOPMENT PROPERTY TAX EXEMPTION--QUALIFIED COOPERATIVE ASSOCIATIONS

AN ACT Relating to nonprofit homeownership development; amending RCW 84.36.049; amending 2018 c 103 s 1 (uncodified); and creating a new section.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 84.36.049 and 2018 c 103 s 2 are each amended to read as follows:

(1) All real property owned by a nonprofit entity or by a qualified cooperative association for the purpose of developing or redeveloping on the real property one or more residences to be sold to low-income households including land to be leased as provided in subsection (8)((~~4~~)) (e)(ii) of this section, is exempt from state and local property taxes.

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

(a) The date on which the nonprofit entity transfers title to the single-family dwelling unit or the date on which the qualified cooperative association first conveys, directly or indirectly through the transfer of an ownership interest in the association, any single-family dwelling unit on the property or any part of the property. The exemption will not expire as a consequence of the real property being transferred by one nonprofit entity to another nonprofit entity or to a

qualified cooperative association so long as the transferee timely applies to the department for a continuation of the exemption;

(b) The date on which the nonprofit entity or qualified cooperative association executes a lease of land described in subsection (8)~~((d))~~ (e)(i) of this section;

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

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

(3) If the nonprofit entity believes that title to the single-family dwelling unit will not be transferred by the end of the sixth consecutive property tax year or if a qualified cooperative association believes that neither a single-family dwelling unit nor any other part of the property will be transferred by the end of the sixth consecutive property tax year, the nonprofit entity or qualified cooperative association may claim a three-year extension of the exemption period by:

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

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

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

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

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

(d) The additional tax and interest is a lien on the property. The lien for additional tax and interest has priority to and must be fully paid and satisfied before any recognizance, mortgage, judgment, debt, obligation, or responsibility to or with which the property may become charged or liable. If a nonprofit entity or qualified cooperative association sells or transfers real property subject to a lien for additional taxes under this subsection, such unpaid additional taxes must be paid by the nonprofit entity or qualified cooperative association at the time of sale or transfer. The county auditor may not accept an instrument of conveyance

unless the additional tax has been paid. The nonprofit entity, qualified cooperative association, or the new owner may appeal the assessed values upon which the additional tax is based to the county board of equalization in accordance with the provisions of RCW 84.40.038.

(5)(a) Nonprofit entities receiving an exemption under this section must immediately notify the department when the exempt real property becomes occupied. The notice of occupancy made to the department must include a certification by the nonprofit entity that the occupants are a low-income household and a date when the title to the single-family dwelling unit was or is anticipated to be transferred.

(b) Qualified cooperative associations receiving an exemption under this section must immediately notify the department when any portion of the exempt real property becomes occupied as well as when all of the exempt real property becomes occupied. The notice provided when all the exempt real property becomes occupied must be filed within one year of all exempt real property becoming occupied and demonstrate that the qualified cooperative association does, in fact, meet the requirements for being a qualified cooperative association.

(c) The department of revenue must make the notices of occupancy available to the joint legislative audit and review committee, upon request by the committee, in order for the committee to complete its review of the tax preference in this section.

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

(7) Nonprofit entities and qualified cooperative associations receiving an exemption under this section must provide annual financial statements to the joint legislative audit and review committee, upon request by the committee, for the years that the exemption has been claimed. The nonprofit entity or qualified cooperative associations must identify the line or lines on the financial statements that comprise the percentage of revenues dedicated to the development of affordable housing.

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

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

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

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

(d) "Qualified cooperative association" means a cooperative association formed under chapter 23.86 or 24.06 RCW that owns the real property for which an exemption is sought under this section and following the completion of the development or redevelopment of such real property:

(i) Sixty percent or more of the residences are owned by low-income households; and

(ii) Eighty percent or more of the square footage of any improvements to the real property are exclusively used or available for use by the owners of the residences.

(e) "Residence" means:

(i) A single-family dwelling unit whether such unit be separate or part of a multiunit dwelling; and

(ii) The land on which a dwelling unit described in ~~((e))~~ (e)(i) of this subsection (8) stands, whether to be sold, or to be leased for life or ninety-nine years, to the low-income household owning such dwelling unit.

(9) The department may not accept applications for the initial exemption in this section after December 31, 2027. The exemption in this section may not be approved for and does not apply to taxes due in 2038 and thereafter.

(10) This section expires January 1, 2038.

Sec. 2. 2018 c 103 s 1 (uncodified) is amended to read as follows:

(1) This section is the tax preference performance statement for the tax preference contained in ~~((this act [chapter 103, Laws of 2018 and chapter 217, Laws of 2016]))~~ chapter . . . , Laws of 2019 (this act), chapter 103, Laws of 2018, and chapter 217, Laws of 2016. This performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

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

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

(4)(a) To measure the effectiveness of the tax preference provided in section 2 of this act in achieving the specific public policy objectives described in subsection (3) of this section, the joint legislative audit and review committee must evaluate, two years prior to the expiration of the tax preference: (i) The annual growth in the percentage of revenues dedicated to the development of affordable housing, for each nonprofit and qualified cooperative association claiming the preference, for the period that the preference has been claimed; and (ii) the annual changes in both the total number of parcels qualifying for the exemption and the total number of parcels for which owner occupancy notifications have been submitted to the department of revenue, from June 9,

2016, through the most recent year of available data prior to the committee's review.

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

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

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

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

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

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

NEW SECTION. Sec. 3. This act applies to taxes levied for collection in 2020 and thereafter.

Passed by the House April 4, 2019.

Passed by the Senate April 27, 2019.

Approved by the Governor May 9, 2019.

Filed in Office of Secretary of State May 13, 2019.

CHAPTER 362

[Engrossed House Bill 1638]

MEASLES, MUMPS, AND RUBELLA VACCINE--SCHOOLS AND DAY CARE CENTERS

AN ACT Relating to promoting immunity against vaccine preventable diseases; amending RCW 28A.210.080 and 28A.210.090; adding a new section to chapter 43.216 RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

***Sec. 1.** RCW 28A.210.080 and 2007 c 276 s 1 are each amended to read as follows:

(1) Except as provided in subsection (2) of this section, the attendance of every child at every public and private school in the state and licensed day care center shall be conditioned upon the presentation before or on each child's first day of attendance at a particular school or center, of proof of either (a) full immunization, (b) the initiation of and compliance with a schedule of immunization, as required by rules of the state board of health, or (c) a certificate of exemption as provided for in RCW 28A.210.090. The attendance at the school or the day care center during any subsequent school year of a child who has initiated a schedule of immunization shall be conditioned upon the presentation of proof of compliance with the schedule on the child's first

day of attendance during the subsequent school year. Once proof of full immunization or proof of completion of an approved schedule has been presented, no further proof shall be required as a condition to attendance at the particular school or center.

(2) Proof of disease immunity through documentation of laboratory evidence of antibody titer or a health care provider's attestation of a child's history of a disease sufficient to provide immunity against that disease constitutes proof of immunization for that specific disease.

(3)(a) Beginning with sixth grade entry, every public and private school in the state shall provide parents and guardians with information about meningococcal disease and its vaccine at the beginning of every school year. The information about meningococcal disease shall include:

(i) Its causes and symptoms, how meningococcal disease is spread, and the places where parents and guardians may obtain additional information and vaccinations for their children; and

(ii) Current recommendations from the United States centers for disease control and prevention regarding the receipt of vaccines for meningococcal disease and where the vaccination can be received.

(b) This subsection shall not be construed to require the department of health or the school to provide meningococcal vaccination to students.

(c) The department of health shall prepare the informational materials and shall consult with the office of superintendent of public instruction.

(d) This subsection does not create a private right of action.

~~((3))~~ (4)(a) Beginning with sixth grade entry, every public school in the state shall provide parents and guardians with information about human papillomavirus disease and its vaccine at the beginning of every school year. The information about human papillomavirus disease shall include:

(i) Its causes and symptoms, how human papillomavirus disease is spread, and the places where parents and guardians may obtain additional information and vaccinations for their children; and

(ii) Current recommendations from the United States centers for disease control and prevention regarding the receipt of vaccines for human papillomavirus disease and where the vaccination can be received.

(b) This subsection shall not be construed to require the department of health or the school to provide human papillomavirus vaccination to students.

(c) The department of health shall prepare the informational materials and shall consult with the office of the superintendent of public instruction.

(d) This subsection does not create a private right of action.

~~((4))~~ (5) Private schools are required by state law to notify parents that information on the human papillomavirus disease prepared by the department of health is available.

**Sec. 1 was vetoed. See message at end of chapter.*

Sec. 2. RCW 28A.210.090 and 2011 c 299 s 1 are each amended to read as follows:

(1) Any child shall be exempt in whole or in part from the immunization measures required by RCW 28A.210.060 through 28A.210.170 upon the presentation of any one or more of the certifications required by this section, on a form prescribed by the department of health:

(a) A written certification signed by a health care practitioner that a particular vaccine required by rule of the state board of health is, in his or her judgment, not advisable for the child: PROVIDED, That when it is determined that this particular vaccine is no longer contraindicated, the child will be required to have the vaccine;

(b) A written certification signed by any parent or legal guardian of the child or any adult in loco parentis to the child that the religious beliefs of the signator are contrary to the required immunization measures; or

(c) A written certification signed by any parent or legal guardian of the child or any adult in loco parentis to the child that the signator has either a philosophical or personal objection to the immunization of the child. A philosophical or personal objection may not be used to exempt a child from the measles, mumps, and rubella vaccine.

(2)(a) The form presented on or after July 22, 2011, must include a statement to be signed by a health care practitioner stating that he or she provided the signator with information about the benefits and risks of immunization to the child. The form may be signed by a health care practitioner at any time prior to the enrollment of the child in a school or licensed day care. Photocopies of the signed form or a letter from the health care practitioner referencing the child's name shall be accepted in lieu of the original form.

(b) A health care practitioner who, in good faith, signs the statement provided for in (a) of this subsection is immune from civil liability for providing the signature.

(c) Any parent or legal guardian of the child or any adult in loco parentis to the child who exempts the child due to religious beliefs pursuant to subsection (1)(b) of this section is not required to have the form provided for in (a) of this subsection signed by a health care practitioner if the parent or legal guardian demonstrates membership in a religious body or a church in which the religious beliefs or teachings of the church preclude a health care practitioner from providing medical treatment to the child.

(3) For purposes of this section, "health care practitioner" means a physician licensed under chapter 18.71 or 18.57 RCW, a naturopath licensed under chapter 18.36A RCW, a physician assistant licensed under chapter 18.71A or 18.57A RCW, or an advanced registered nurse practitioner licensed under chapter 18.79 RCW.

NEW SECTION. Sec. 3. A new section is added to chapter 43.216 RCW to read as follows:

(1) Except as provided in subsection (2) of this section, a child day care center licensed under this chapter may not allow on the premises an employee or volunteer, who has not provided the child day care center with:

(a) Immunization records indicating that he or she has received the measles, mumps, and rubella vaccine; or

(b) Proof of immunity from measles through documentation of laboratory evidence of antibody titer or a health care provider's attestation of the person's history of measles sufficient to provide immunity against measles.

(2)(a) The child day care center may allow a person to be employed or volunteer on the premises for up to thirty calendar days if he or she signs a written attestation that he or she has received the measles, mumps, and rubella

vaccine or is immune from measles, but requires additional time to obtain and provide the records required in subsection (1)(a) or (b) of this section.

(b) The child day care center may allow a person to be employed or volunteer on the premises if the person provides the child day care center with a written certification signed by a health care practitioner, as defined in RCW 28A.210.090, that the measles, mumps, and rubella vaccine is, in the practitioner's judgment, not advisable for the person. This subsection (2)(b) does not apply if it is determined that the measles, mumps, and rubella vaccine is no longer contraindicated.

(3) The child day care center shall maintain the documents required in subsection (1) or (2) of this section in the person's personnel record maintained by the child day care center.

(4) For purposes of this section, "volunteer" means a nonemployee who provides care and supervision to children at the child day care center.

***NEW SECTION. Sec. 4.** The department of health may adopt rules necessary to implement RCW 28A.210.080 and 28A.210.090.

**Sec. 4 was vetoed. See message at end of chapter.*

Passed by the House April 23, 2019.

Passed by the Senate April 17, 2019.

Approved by the Governor May 10, 2019, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 13, 2019.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Sections 1 and 4, Engrossed House Bill No. 1638 entitled:

"AN ACT Relating to promoting immunity against vaccine preventable diseases."

Section 1 authorizes an exemption for proof of immunity based on an antibody test called a titer test. This provision is written too broadly because it applies to all vaccines, not just to Measles, Mumps, and Rubella (or MMR) and other conditions in which an antibody test is reliable. In addition, the Board of Health already allows the use of an antibody test for those vaccines in which the test is reliable, like MMR, so this provision is also unnecessary.

Section 4 contains a rulemaking clause that is unnecessary. Current law already permits the state Board of Health to perform these rulemaking functions, not the Department of Health as this section provides.

These minor changes will not disturb the substance of the bill.

For these reasons I have vetoed Sections 1 and 4 of Engrossed House Bill No. 1638.

With the exception of Sections 1 and 4, Engrossed House Bill No. 1638 is approved."

CHAPTER 363

[Second Substitute House Bill 1087]

LONG-TERM SERVICES AND SUPPORTS TRUST PROGRAM

AN ACT Relating to long-term services and supports; amending RCW 74.39A.076, 18.88B.041, and 44.44.040; reenacting and amending RCW 43.79A.040; adding a new section to chapter 43.09 RCW; and adding a new title to the Revised Code of Washington to be codified as Title 50B RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. **Sec. 1.** The legislature finds that:

(1) Long-term care is not covered by medicare or other health insurance plans, and the few private long-term care insurance plans that exist are unaffordable for most people, leaving more than ninety percent of seniors uninsured for long-term care. The current market for long-term care insurance is broken: In 2002, there were one hundred two companies offering long-term care insurance coverage, but today that number is only twelve.

(2) The majority of people over sixty-five years of age will need long-term services and supports within their lifetimes. The senior population has doubled in Washington since 1980, to currently over one million, and will more than double again by 2040. Without access to insurance, seniors must rely on family care and spend their life savings down to poverty levels in order to access long-term care through medicaid. Middle class families are at the greatest risk because most have not saved enough to cover long-term care costs. When seniors reach the point of needing assistance with eating, dressing, and personal care, they must spend down to their last remaining two thousand dollars before they qualify for state assistance, leaving family members in jeopardy for their own future care needs. In Washington, more than eight hundred fifty thousand unpaid family caregivers provided care valued at eleven billion dollars in 2015. Furthermore, family caregivers who leave the workforce to provide unpaid long-term services and supports lose an average of three hundred thousand dollars in their own income and health and retirement benefits.

(3) Paying out-of-pocket for long-term care is expensive. In Washington, the average cost for medicaid in-home care is twenty-four thousand dollars per year and the average cost for nursing home care is sixty-five thousand dollars per year. These are costs that most seniors cannot afford.

(4) Seniors and the state will not be able to continue their reliance on family caregivers in the near future. Demographic shifts mean that fewer potential family caregivers will be available in the future. Today, there are around seven potential caregivers for each senior, but by 2030 that ratio will decrease to four potential caregivers for each senior.

(5) Long-term services and supports comprise approximately six percent of the state operating budget, and demand for these services will double by 2030 to over twelve percent. This will result in an additional six billion dollars in increased near-general fund costs for the state by 2030.

(6) An alternative funding mechanism for long-term care access in Washington state could relieve hardship on families and lessen the burden of medicaid on the state budget. In addition, an alternative funding mechanism could result in positive economic impact to our state through increased state competition and fewer Washingtonians leaving the workforce to provide unpaid care.

(7) The average aging and long-term supports administration medicaid consumer utilizes ninety-six hours of care per month. At current costs, a one hundred dollars per day benefit for three hundred sixty-five days would provide complete financial relief for the average in-home care consumer and substantial relief for the average facility care consumer for a full year or more.

(8) Under current caseload and demographic projections, an alternative funding mechanism for long-term care access could save the medicaid program eight hundred ninety-eight million dollars in the 2051-2053 biennium.

(9) As the state pursues an alternative funding mechanism for long-term care access, the state must continue its commitment to promoting choice in approved services and long-term care settings. Therefore, any alternative funding mechanism program should be structured such that:

(a) Individuals are able to use their benefits for long-term care services in the setting of their choice, whether in the home, a residential community-based setting, or a skilled nursing facility;

(b) The choice of provider types and approved services is the same or greater than currently available through Washington's publicly funded long-term services and supports;

(c) Transitions from private and public funding sources for consumers are seamless;

(d) Long-term care health status data is collected across all home and community-based settings; and

(e) Program design focuses on the need to provide meaningful assistance to middle class families.

(10) The creation of a long-term care insurance benefit of an established dollar amount per day for three hundred sixty-five days for all eligible Washington employees, paid through an employee payroll premium, is in the best interest of the state of Washington.

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

(1) "Account" means the long-term services and supports trust account created in section 11 of this act.

(2) "Approved service" means long-term services and supports including, but not limited to:

- (a) Adult day services;
- (b) Care transition coordination;
- (c) Memory care;
- (d) Adaptive equipment and technology;
- (e) Environmental modification;
- (f) Personal emergency response system;
- (g) Home safety evaluation;
- (h) Respite for family caregivers;
- (i) Home delivered meals;
- (j) Transportation;
- (k) Dementia supports;
- (l) Education and consultation;
- (m) Eligible relative care;
- (n) Professional services;

(o) Services that assist paid and unpaid family members caring for eligible individuals, including training for individuals providing care who are not otherwise employed as long-term care workers under RCW 74.39A.074;

- (p) In-home personal care;
- (q) Assisted living services;
- (r) Adult family home services; and

(s) Nursing home services.

(3) "Benefit unit" means up to one hundred dollars paid by the department of social and health services to a long-term services and supports provider as reimbursement for approved services provided to an eligible beneficiary on a specific date. The benefit unit must be adjusted annually at a rate no greater than the Washington state consumer price index, as determined solely by the council. Any changes adopted by the council shall be subject to revision by the legislature.

(4) "Commission" means the long-term services and supports trust commission established in section 4 of this act.

(5) "Council" means the long-term services and supports trust council established in section 5 of this act.

(6) "Eligible beneficiary" means a qualified individual who is age eighteen or older, residing in the state of Washington, was not disabled before the age of eighteen, has been determined to meet the minimum level of assistance with activities of daily living necessary to receive benefits through the trust program, as established in this chapter, and who has not exhausted the lifetime limit of benefit units.

(7) "Employee" has the meaning provided in RCW 50A.04.010.

(8) "Employer" has the meaning provided in RCW 50A.04.010.

(9) "Employment" has the meaning provided in RCW 50A.04.010.

(10) "Long-term services and supports provider" means an entity that meets the qualifications applicable in law to the approved service they provide, including a qualified or certified home care aide, licensed assisted living facility, licensed adult family home, licensed nursing home, licensed in-home services agency, adult day services program, vendor, instructor, qualified family member, or other entities as registered by the department of social and health services.

(11) "Premium" or "premiums" means the payments required by section 9 of this act and paid to the employment security department for deposit in the account created in section 11 of this act.

(12) "Program" means the long-term services and supports trust program established in this chapter.

(13) "Qualified family member" means a relative of an eligible beneficiary qualified to meet requirements established in state law for the approved service they provide that would be required of any other long-term services and supports provider to receive payments from the state.

(14) "Qualified individual" means an individual who meets the duration of payment requirements, as established in this chapter.

(15) "State actuary" means the office of the state actuary created in RCW 44.44.010.

(16) "Wages" has the meaning provided in RCW 50A.04.010, except that all wages are subject to a premium assessment and not limited by the commissioner of the employment security department, as provided under RCW 50A.04.115.

NEW SECTION. Sec. 3. (1) The health care authority, the department of social and health services, the office of the state actuary, and the employment security department each have distinct responsibilities in the implementation and administration of the program. In the performance of their activities, they shall actively collaborate to realize program efficiencies and provide persons served by the program with a well-coordinated experience.

(2) The health care authority shall:

(a) Track the use of lifetime benefit units to verify the individual's status as an eligible beneficiary as determined by the department of social and health services;

(b) Ensure approved services are provided through audits or service verification processes within the service provider payment system for registered long-term services and supports providers and recoup any inappropriate payments;

(c) Establish criteria for the payment of benefits to registered long-term services and supports providers under section 8 of this act;

(d) Establish rules and procedures for benefit coordination when the eligible beneficiary is also funded for medicaid and other long-term services and supports, including medicare, coverage through the department of labor and industries, and private long-term care coverage; and

(e) Adopt rules and procedures necessary to implement and administer the activities specified in this section related to the program.

(3) The department of social and health services shall:

(a) Make determinations regarding an individual's status as an eligible beneficiary under section 7 of this act;

(b) Approve long-term services and supports eligible for payment as approved services under the program, as informed by the commission;

(c) Register long-term services and supports providers that meet minimum qualifications;

(d) Discontinue the registration of long-term services and supports providers that: (i) Fail to meet the minimum qualifications applicable in law to the approved service that they provide; or (ii) violate the operational standards of the program;

(e) Disburse payments of benefits to registered long-term services and supports providers, utilizing and leveraging existing payment systems for the provision of approved services to eligible beneficiaries under section 8 of this act;

(f) Prepare and distribute written or electronic materials to qualified individuals, eligible beneficiaries, and the public as deemed necessary by the commission to inform them of program design and updates;

(g) Provide customer service and address questions and complaints, including referring individuals to other appropriate agencies;

(h) Provide administrative and operational support to the commission;

(i) Track data useful in monitoring and informing the program, as identified by the commission; and

(j) Adopt rules and procedures necessary to implement and administer the activities specified in this section related to the program.

(4) The employment security department shall:

(a) Collect and assess employee premiums as provided in section 9 of this act;

(b) Assist the commission, council, and state actuary in monitoring the solvency and financial status of the program;

(c) Perform investigations to determine the compliance of premium payments in section 9 of this act in coordination with the same activities

conducted under the family and medical leave act, chapter 50A.04 RCW, to the extent possible;

(d) Make determinations regarding an individual's status as a qualified individual under section 6 of this act; and

(e) Adopt rules and procedures necessary to implement and administer the activities specified in this section related to the program.

(5) The office of the state actuary shall:

(a) Beginning January 1, 2024, and biennially thereafter, perform an actuarial audit and valuation of the long-term services and supports trust fund. Additional or more frequent actuarial audits and valuations may be performed at the request of the council;

(b) Make recommendations to the council and the legislature on actions necessary to maintain trust solvency. The recommendations must include options to redesign or reduce benefit units, approved services, or both, to prevent or eliminate any unfunded actuarially accrued liability in the trust or to maintain solvency; and

(c) Select and contract for such actuarial, research, technical, and other consultants as the actuary deems necessary to perform its duties under this act.

NEW SECTION. **Sec. 4.** (1) The long-term services and supports trust commission is established. The commission's recommendations and decisions must be guided by the joint goals of maintaining benefit adequacy and maintaining fund solvency and sustainability.

(2) The commission includes:

(a) Two members from each of the two largest caucuses of the house of representatives, appointed by the speaker of the house of representatives;

(b) Two members from each of the two largest caucuses of the senate, appointed by the president of the senate;

(c) The commissioner of the employment security department, or the commissioner's designee;

(d) The secretary of the department of social and health services, or the secretary's designee;

(e) The director of the health care authority, or the director's designee, who shall serve as a nonvoting member;

(f) One representative of the organization representing the area agencies on aging;

(g) One representative of a home care association that represents caregivers who provide services to private pay and medicaid clients;

(h) One representative of a union representing long-term care workers;

(i) One representative of an organization representing retired persons;

(j) One representative of an association representing skilled nursing facilities and assisted living providers;

(k) One representative of an association representing adult family home providers;

(l) Two individuals receiving long-term services and supports, or their designees, or representatives of consumers receiving long-term services and supports under the program;

(m) One member who is a worker who is, or will likely be, paying the premium established in section 9 of this act and who is not employed by a long-term services and supports provider; and

(n) One representative of an organization of employers whose members collect, or will likely be collecting, the premium established in section 9 of this act.

(3)(a) Other than the legislators and agency heads identified in subsection (2) of this section, members of the commission are appointed by the governor for terms of two years, except that the governor shall appoint the initial members identified in subsection (2)(f) through (n) of this section to staggered terms not to exceed four years.

(b) The secretary of the department of social and health services, or the secretary's designee, shall serve as chair of the commission. Meetings of the commission are at the call of the chair. A majority of the voting members of the commission shall constitute a quorum for any votes of the commission. Approval of sixty percent of those voting members of the commission who are in attendance is required for the passage of any vote.

(c) Members of the commission and the subcommittee established in subsection (6) of this section must be compensated in accordance with RCW 43.03.250 and must be reimbursed for their travel expenses while on official business in accordance with RCW 43.03.050 and 43.03.060.

(4) Beginning January 1, 2021, the commission shall propose recommendations to the appropriate executive agency or the legislature regarding:

(a) The establishment of criteria for determining that an individual has met the requirements to be a qualified individual as established in section 6 of this act or an eligible beneficiary as established in section 7 of this act;

(b) The establishment of criteria for minimum qualifications for the registration of long-term services and supports providers who provide approved services to eligible beneficiaries;

(c) The establishment of payment maximums for approved services consistent with actuarial soundness which shall not be lower than medicaid payments for comparable services. A service or supply may be limited by dollar amount, duration, or number of visits. The commission shall engage affected stakeholders to develop this recommendation;

(d) Changes to rules or policies to improve the operation of the program;

(e) Providing a recommendation to the council for the annual adjustment of the benefit unit in accordance with sections 2 and 5 of this act;

(f) A refund of premiums for a deceased qualified individual with a dependent who is an individual with a developmental disability who is dependent for support from a qualified individual. The qualified individual must not have been determined to be an eligible beneficiary by the department of social and health services. The refund shall be deposited into an individual trust account within the developmental disabilities endowment trust fund for the benefit of the dependent with a developmental disability. The commission shall consider:

(i) The value of the refund to be one hundred percent of the current value of the qualified individual's lifetime premium payments at the time that certification of death of the qualified individual is submitted, less any administrative process fees; and

(ii) The criteria for determining whether the individual is developmentally disabled. The determination shall not be based on whether or not the individual

with a developmental disability is receiving services under Title 71A RCW, or another state or local program;

(g) Assisting the state actuary with the preparation of regular actuarial reports on the solvency and financial status of the program and advising the legislature on actions necessary to maintain trust solvency. The commission shall provide the office of the state actuary with all actuarial reports for review. The office of the state actuary shall provide any recommendations to the commission and the legislature on actions necessary to maintain trust solvency;

(h) For the January 1, 2021, report only, recommendations on whether and how to extend coverage to individuals who became disabled before the age of eighteen, including the impact on the financial status and solvency of the trust. The commission shall engage affected stakeholders to develop this recommendation; and

(i) For the January 1, 2021, report only, the commission shall consult with the office of the state actuary on the development of an actuarial report of the projected solvency and financial status of the program. The office of the state actuary shall provide any recommendations to the commission and the legislature on actions necessary to achieve trust solvency.

(5) The commission shall monitor agency administrative expenses over time. Beginning November 15, 2020, the commission must annually report to the governor and the fiscal committees of the legislature on agency spending for administrative expenses and anticipated administrative expenses as the program shifts into different phases of implementation and operation. The November 15, 2025, report must include recommendations for a method of calculating future agency administrative expenses to limit administrative expenses while providing sufficient funds to adequately operate the program. The agency heads identified in subsection (2) of this section may advise the commission on the reports prepared under this subsection, but must recuse themselves from the commission's process for review, approval, and submission to the legislature.

(6) The commission shall establish an investment strategy subcommittee consisting of the members identified in subsection (2)(a) through (d) of this section as voting members of the subcommittee. In addition, four members appointed by the governor who are considered experienced and qualified in the field of investment shall serve as nonvoting members. The subcommittee shall provide guidance and advice to the state investment board on investment strategies for the account, including seeking counsel and advice on the types of investments that are constitutionally permitted.

NEW SECTION. Sec. 5. (1) The long-term services and supports council is established. The council includes the members identified in section 4(2)(a) through (e) of this act and the director of the office of financial management, or the director's designee.

(2) On an annual basis, the council must determine adjustments to the benefit unit as provided in the definition of "benefit unit" in section 2 of this act to assure benefit adequacy and solvency of the long-term services and supports trust account established in section 11 of this act. In determining adjustments to the benefit unit, the council must review the state actuary's actuarial audit and valuation of the trust account, any recommendations by the state actuary and commission, data on relevant economic indicators and program costs, and sustainability.

(3) The director of the office of financial management, or the director's designee, shall serve as chair of the council. The council must meet at least once annually to determine adjustments to the benefit unit as defined in section 2 of this act. Additional meetings of the council are at the call of the chair. A majority of the voting members of the council shall constitute a quorum for any votes of the council. Approval of sixty percent of the members of the council who are in attendance is required for the passage of any vote. The council may adopt rules for the conduct of meetings, including provisions for meetings and voting to be conducted by telephonic, video, or other conferencing process.

(4) Members of the council must be compensated in accordance with RCW 43.03.250 and must be reimbursed for their travel expenses while on official business in accordance with RCW 43.03.050 and 43.03.060.

NEW SECTION. Sec. 6. (1) The employment security department shall deem a person to be a qualified individual as provided in this chapter if the person has paid the long-term services and supports premiums required by section 9 of this act for the equivalent of either:

(a) A total of ten years without interruption of five or more consecutive years; or

(b) Three years within the last six years.

(2) When deeming a person to be a qualified individual, the employment security department shall require that the person have worked at least five hundred hours during each of the ten years in subsection (1)(a) of this section and each of the three years in subsection (1)(b) of this section.

NEW SECTION. Sec. 7. (1) Beginning January 1, 2025, approved services must be available and benefits payable to a registered long-term services and supports provider on behalf of an eligible beneficiary under this section.

(2) A qualified individual may become an eligible beneficiary by filing an application with the department of social and health services and undergoing an eligibility determination which includes an evaluation that the individual requires assistance with at least three activities of daily living. The department of social and health services must engage sufficient qualified assessor capacity, including via contract, so that the determination may be made within forty-five days from receipt of a request by a beneficiary to use a benefit.

(3)(a) An eligible beneficiary may receive approved services and benefits through the program in the form of a benefit unit payable to a registered long-term services and supports provider.

(b) An eligible beneficiary may not receive more than the dollar equivalent of three hundred sixty-five benefit units over the course of the eligible beneficiary's lifetime.

(i) If the department of social and health services reimburses a long-term services and supports provider for approved services provided to an eligible beneficiary and the payment is less than the benefit unit, only the portion of the benefit unit that is used shall be taken into consideration when calculating the person's remaining lifetime limit on receipt of benefits.

(ii) Eligible beneficiaries may combine benefit units to receive more approved services per day as long as the total number of lifetime benefit units has not been exceeded.

NEW SECTION. Sec. 8. (1) Benefits provided under this chapter shall be paid periodically and promptly to registered long-term services and supports providers.

(2) Qualified family members may be paid for approved personal care services in the same way as individual providers, through a licensed home care agency, or through a third option if recommended by the commission and adopted by the department of social and health services.

NEW SECTION. Sec. 9. (1) Beginning January 1, 2022, the employment security department shall assess for each individual in employment with an employer a premium based on the amount of the individual's wages. The initial premium rate is fifty-eight hundredths of one percent of the individual's wages. Beginning January 1, 2024, and biennially thereafter, the premium rate shall be set by the pension funding council at a rate no greater than fifty-eight hundredths of one percent. In addition, the pension funding council must set the premium rate at the lowest amount necessary to maintain the actuarial solvency of the long-term services and supports trust account created in section 11 of this act in accordance with recognized insurance principles and designed to attempt to limit fluctuations in the premium rate. To facilitate the premium rate setting the office of the state actuary must perform a biennial actuarial audit and valuation of the fund and make recommendations to the pension funding council.

(2)(a) The employer must collect from the employees the premiums provided under this section through payroll deductions and remit the amounts collected to the employment security department.

(b) In collecting employee premiums through payroll deductions, the employer shall act as the agent of the employees and shall remit the amounts to the employment security department as required by this chapter.

(3) Nothing in this chapter requires any party to a collective bargaining agreement in existence on October 19, 2017, to reopen negotiations of the agreement or to apply any of the responsibilities under this chapter unless and until the existing agreement is reopened or renegotiated by the parties or expires.

(4)(a) Premiums shall be collected in the manner and at such intervals as provided in this chapter and directed by the employment security department.

(b) To the extent feasible, the employment security department shall use the premium assessment, collection, and reporting procedures in chapter 50A.04 RCW.

(5) The employment security department shall deposit all premiums collected in this section in the long-term services and supports trust account created in section 11 of this act.

(6) Premiums collected in this section are placed in the trust account for the individuals who become eligible for the program.

(7) If the premiums established in this section are increased, the legislature shall notify each qualified individual by mail that the person's premiums have been increased, describe the reason for increasing the premiums, and describe the plan for restoring the funds so that premiums are returned to fifty-eight hundredths of one percent of the individual's wages.

(8) An employee who demonstrates that the employee has long-term care insurance is exempt from the premium assessment in this section.

NEW SECTION. Sec. 10. (1) Beginning January 1, 2022, any self-employed person, including a sole proprietor, independent contractor, partner, or joint venturer, may elect coverage under this chapter. Those electing coverage under this subsection are responsible for payment of one hundred percent of all premiums assessed to an employee under section 9 of this act. The self-employed person must file a notice of election in writing with the employment security department, in the manner required by the employment security department in rule. The self-employed person is eligible for benefits after paying the long-term services and supports premium for the time required under section 6 of this act.

(2) A self-employed person who has elected coverage may withdraw from coverage, at such times as the employment security department may adopt by rule, by filing a notice of withdrawal in writing with the employment security department, with the withdrawal to take effect not sooner than thirty days after filing the notice with the employment security department.

(3) The employment security department may cancel elective coverage if the self-employed person fails to make required payments or file reports. The employment security department may collect due and unpaid premiums and may levy an additional premium for the remainder of the period of coverage. The cancellation must be effective no later than thirty days from the date of the notice in writing advising the self-employed person of the cancellation.

(4) Those electing coverage are considered employers or employees where the context so dictates.

(5) For the purposes of this section, "independent contractor" means an individual excluded from the definition of "employment" in section 2(8) of this act.

(6) The employment security department shall adopt rules for determining the hours worked and the wages of individuals who elect coverage under this section and rules for enforcement of this section.

NEW SECTION. Sec. 11. (1) The long-term services and supports trust account is created in the custody of the state treasurer. All receipts from employers under section 9 of this act must be deposited in the account. Expenditures from the account may be used for the administrative activities of the department of social and health services, the health care authority, and the employment security department. Benefits associated with the program must be disbursed from the account by the department of social and health services. Only the secretary of the department of social and health services or the secretary's designee may authorize disbursements from the account. The account is subject to the allotment procedures under chapter 43.88 RCW. An appropriation is required for administrative expenses, but not for benefit payments. The account must provide reimbursement of any amounts from other sources that may have been used for the initial establishment of the program.

(2) The revenue generated pursuant to this chapter shall be utilized to expand long-term care in the state. These funds may not be used either in whole or in part to supplant existing state or county funds for programs that meet the definition of approved services.

(3) The moneys deposited in the account must remain in the account until expended in accordance with the requirements of this chapter. If moneys are appropriated for any purpose other than supporting the long-term services and

supports program, the legislature shall notify each qualified individual by mail that the person's premiums have been appropriated for an alternate use, describe the alternate use, and state its plan for restoring the funds so that premiums are not increased and benefits are not reduced.

NEW SECTION. Sec. 12. (1) The department of social and health services shall have the state investment board invest the funds in the account. The state investment board has the full power to invest, reinvest, manage, contract, sell, or exchange investment money in the account. All investment and operating costs associated with the investment of money shall be paid under RCW 43.33A.160 and 43.84.160. With the exception of these expenses, the earnings from the investment of the money shall be retained by the accounts.

(2) All investments made by the state investment board shall be made with the degree of judgment and care required under RCW 43.33A.140 and the investment policy established by the state investment board.

(3) As deemed appropriate by the state investment board, money in the account may be commingled for investment with other funds subject to investment by the state investment board.

(4) Members of the state investment board may not be considered an insurer of the funds or assets and are not liable for any action or inaction.

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

(6) The authority to establish all policies relating to the account, other than the investment policies as provided in subsections (1) through (3) of this section, resides with the department of social and health services acting in accordance with the principles set forth in this chapter. With the exception of expenses of the state investment board under subsection (1) of this section, disbursements from the account shall be made only on the authorization of the department of social and health services or its designee, and moneys in the account may be spent only for the purposes specified in this chapter.

(7) The state investment board shall routinely consult and communicate with the department of social and health services on the investment policy, earnings of the accounts, and related needs of the program.

NEW SECTION. Sec. 13. (1) Determinations made by the health care authority or the department of social and health services under this chapter, including determinations regarding functional eligibility or related to registration of long-term services and supports providers, are subject to appeal in accordance with chapter 34.05 RCW. In addition, the standards and procedures adopted for these appeals must address the following:

- (a) Timelines;
- (b) Eligibility and benefit determination;
- (c) Judicial review; and
- (d) Fees.

(2) Determinations made by the employment security department under this chapter are subject to appeal in accordance with the appeal procedures under chapter 50A.04 RCW. The employment security department shall adopt

standards and procedures for appeals for persons aggrieved by any determination or redetermination made by the department. The standards and procedures must be consistent with those adopted for the family and medical leave program under chapter 50A.04 RCW and must address topics including:

- (a) Premium liability;
- (b) Premium collection;
- (c) Judicial review; and
- (d) Fees.

NEW SECTION. Sec. 14. The department of social and health services must:

(1) Seek access to medicare data from the federal centers for medicare and medicaid services to analyze the potential savings in medicare expenditures due to the operation of the program;

(2) Apply for a demonstration waiver from the federal centers for medicare and medicaid services to allow for the state to share in the savings generated in the federal match for medicaid long-term services and supports and medicare due to the operation of the program;

(3) Submit a report, in compliance with RCW 43.01.036, on the status of the waiver to the office of financial management and the appropriate committees of the legislature by December 1, 2022.

NEW SECTION. Sec. 15. Beginning December 1, 2026, and annually thereafter, and in compliance with RCW 43.01.036, the commission must report to the legislature on the program, including:

- (1) Projected and actual program participation;
- (2) Adequacy of premium rates;
- (3) Fund balances;
- (4) Benefits paid;
- (5) Demographic information on program participants, including age, gender, race, ethnicity, geographic distribution by county, legislative district, and employment sector; and
- (6) The extent to which the operation of the program has resulted in savings to the medicaid program by avoiding costs that would have otherwise been the responsibility of the state.

NEW SECTION. Sec. 16. Any benefits used by an individual under this chapter are not income or resources for any determinations of eligibility for any other state program or benefit, for medicaid, for a state-federal program, or for any other means-tested program.

NEW SECTION. Sec. 17. Nothing in this chapter creates an entitlement for a person to receive, or requires a state agency to provide, case management services including, but not limited to, case management services under chapter 74.39A RCW.

NEW SECTION. Sec. 18. A new section is added to chapter 43.09 RCW to read as follows:

By December 1, 2032, the state auditor must conduct a comprehensive evaluation of the long-term services and supports trust program established in chapter 50B.--- RCW (the new chapter created in section 23 of this act) and deliver a report, including a conclusion and recommendations for improvement to the legislature regarding:

(1) Program operations, including the performance of the long-term services and supports trust commission established in section 4 of this act;

(2) Program financial status, including solvency, the value of the benefit provided, and the financial balance of program benefits to costs;

(3) The overall efficacy of the program, based on the established goals under this act including, but not limited to:

(a) Delaying middle class families' need to spend to poverty to receive medicaid-funded long-term care;

(b) Strengthening the state economy through improving workforce participation;

(c) Reducing the caseload and expenditures of the state medicaid program on long-term care; and

(d) Obtaining shared savings through a medicaid demonstration waiver.

Sec. 19. RCW 74.39A.076 and 2018 c 220 s 1 are each amended to read as follows:

(1) Beginning January 7, 2012, except for long-term care workers exempt from certification under RCW 18.88B.041(1)(a):

(a) A biological, step, or adoptive parent who is the individual provider only for (~~his or her~~) the person's developmentally disabled son or daughter must receive twelve hours of training relevant to the needs of adults with developmental disabilities within the first one hundred twenty days after becoming an individual provider.

(b) A spouse or registered domestic partner who is a long-term care worker only for a spouse or domestic partner, pursuant to the long-term services and supports trust program established in chapter 50B.--- RCW (the new chapter created in section 23 of this act), must receive fifteen hours of basic training, and at least six hours of additional focused training based on the care-receiving spouse's or partner's needs, within the first one hundred twenty days after becoming a long-term care worker.

(c) A person working as an individual provider who (i) provides respite care services only for individuals with developmental disabilities receiving services under Title 71A RCW or only for individuals who receive services under this chapter, and (ii) works three hundred hours or less in any calendar year, must complete fourteen hours of training within the first one hundred twenty days after becoming an individual provider. Five of the fourteen hours must be completed before becoming eligible to provide care, including two hours of orientation training regarding the caregiving role and terms of employment and three hours of safety training. The training partnership identified in RCW 74.39A.360 must offer at least twelve of the fourteen hours online, and five of those online hours must be individually selected from elective courses.

((~~e~~)) (d) Individual providers identified in ((~~e~~)) (d)(i) or (ii) of this subsection must complete thirty-five hours of training within the first one hundred twenty days after becoming an individual provider. Five of the thirty-five hours must be completed before becoming eligible to provide care. Two of these five hours shall be devoted to an orientation training regarding an individual provider's role as caregiver and the applicable terms of employment, and three hours shall be devoted to safety training, including basic safety precautions, emergency procedures, and infection control. Individual providers subject to this requirement include:

(i) An individual provider caring only for ~~((his or her))~~ the individual provider's biological, step, or adoptive child or parent unless covered by (a) of this subsection; and

(ii) A person working as an individual provider who provides twenty hours or less of care for one person in any calendar month.

(2) In computing the time periods in this section, the first day is the date of hire.

(3) Only training curriculum approved by the department may be used to fulfill the training requirements specified in this section. The department shall only approve training curriculum that:

(a) Has been developed with input from consumer and worker representatives; and

(b) Requires comprehensive instruction by qualified instructors.

(4) The department shall adopt rules to implement this section.

Sec. 20. RCW 18.88B.041 and 2015 c 152 s 1 are each amended to read as follows:

(1) The following long-term care workers are not required to become a certified home care aide pursuant to this chapter:

(a)(i)(A) Registered nurses, licensed practical nurses, certified nursing assistants or persons who are in an approved training program for certified nursing assistants under chapter 18.88A RCW, medicare-certified home health aides, or other persons who hold a similar health credential, as determined by the secretary, or persons with special education training and an endorsement granted by the superintendent of public instruction, as described in RCW 28A.300.010, if the secretary determines that the circumstances do not require certification.

(B) A person who was initially hired as a long-term care worker prior to January 7, 2012, and who completes all of ~~((his or her))~~ the training requirements in effect as of the date ~~((he or she))~~ the person was hired.

(ii) Individuals exempted by (a)(i) of this subsection may obtain certification as a home care aide without fulfilling the training requirements in RCW 74.39A.074(1)(d)(ii) but must successfully complete a certification examination pursuant to RCW 18.88B.031.

(b) All long-term care workers employed by community residential service businesses.

(c) An individual provider caring only for ~~((his or her))~~ the individual provider's biological, step, or adoptive child or parent.

(d) A person working as an individual provider who provides twenty hours or less of care for one person in any calendar month.

(e) A person working as an individual provider who only provides respite services and works less than three hundred hours in any calendar year.

(f) A long-term care worker providing approved services only for a spouse or registered domestic partner, pursuant to the long-term services and supports trust program established in chapter 50B.--- RCW (the new chapter created in section 23 of this act).

(2) A long-term care worker exempted by this section from the training requirements contained in RCW 74.39A.074 may not be prohibited from enrolling in training pursuant to that section.

(3) The department shall adopt rules to implement this section.

Sec. 21. RCW 43.79A.040 and 2018 c 260 s 28, 2018 c 258 s 4, and 2018 c 127 s 6 are each reenacted and amended to read as follows:

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

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

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

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

(b) The following accounts and funds must receive their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The 24/7 sobriety account, the Washington promise scholarship account, the Gina Grant Bull memorial legislative page scholarship account, the Washington advanced college tuition payment program account, the Washington college savings program account, the accessible communities account, the Washington achieving a better life experience program account, the community and technical college innovation account, the agricultural local fund, the American Indian scholarship endowment fund, the foster care scholarship endowment fund, the foster care endowed scholarship trust fund, the contract harvesting revolving account, the Washington state combined fund drive account, the commemorative works account, the county enhanced 911 excise tax account, the toll collection account, the developmental disabilities endowment trust fund, the energy account, the fair fund, the family and medical leave insurance account, the fish and wildlife federal lands revolving account, the natural resources federal lands revolving account, the food animal veterinarian conditional scholarship account, the forest health revolving account, the fruit and vegetable inspection account, the future teachers conditional scholarship account, the game farm alternative account, the GET ready for math and science scholarship account, the Washington global health technologies and product development account, the grain inspection revolving fund, the Washington history day account, the industrial insurance rainy day fund, the juvenile accountability incentive account, the law enforcement officers' and firefighters' plan 2 expense fund, the local tourism promotion account, the low-income home rehabilitation revolving loan program account, the multiagency permitting team account, the northeast Washington wolf-livestock management account, the pilotage account, the produce railcar pool account, the regional transportation investment district account, the rural rehabilitation account, the Washington sexual assault kit account, the stadium and exhibition center account, the youth

athletic facility account, the self-insurance revolving fund, the children's trust fund, the Washington horse racing commission Washington bred owners' bonus fund and breeder awards account, the Washington horse racing commission class C purse fund account, the individual development account program account, the Washington horse racing commission operating account, the life sciences discovery fund, the Washington state heritage center account, the reduced cigarette ignition propensity account, the center for childhood deafness and hearing loss account, the school for the blind account, the Millersylvania park trust fund, the public employees' and retirees' insurance reserve fund, the school employees' benefits board insurance reserve fund, (~~(the)~~) the public employees' and retirees' insurance account, (~~(the)~~) the school employees' insurance account, the long-term services and supports trust account, and the radiation perpetual maintenance fund.

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

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

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

Sec. 22. RCW 44.44.040 and 2011 1st sp.s. c 12 s 7 are each amended to read as follows:

The office of the state actuary shall have the following powers and duties:

(1) Perform all actuarial services for the department of retirement systems, including all studies required by law.

(2) Advise the legislature and the governor regarding pension benefit provisions, and funding policies and investment policies of the state investment board.

(3) Consult with the legislature and the governor concerning determination of actuarial assumptions used by the department of retirement systems.

(4) Prepare a report, to be known as the actuarial fiscal note, on each pension bill introduced in the legislature which briefly explains the financial impact of the bill. The actuarial fiscal note shall include: (a) The statutorily required contribution for the biennium and the following twenty-five years; (b) the biennial cost of the increased benefits if these exceed the required contribution; and (c) any change in the present value of the unfunded accrued benefits. An actuarial fiscal note shall also be prepared for all amendments which are offered in committee or on the floor of the house of representatives or the senate to any pension bill. However, a majority of the members present may

suspend the requirement for an actuarial fiscal note for amendments offered on the floor of the house of representatives or the senate.

(5) Provide such actuarial services to the legislature as may be requested from time to time.

(6) Provide staff and assistance to the committee established under RCW 41.04.276.

(7) Provide actuarial assistance to the law enforcement officers' and firefighters' plan 2 retirement board as provided in chapter 2, Laws of 2003. Reimbursement for services shall be made to the state actuary under RCW 39.34.130 and section 5(5), chapter 2, Laws of 2003.

(8) Provide actuarial assistance to the committee on advanced tuition payment pursuant to chapter 28B.95 RCW, including recommending a tuition unit price to the committee on advanced tuition payment to be used in the ensuing enrollment period. Reimbursement for services shall be made to the state actuary under RCW 39.34.130.

(9) Provide actuarial assistance to the long-term services and supports trust commission pursuant to chapter 50B.--- RCW (the new chapter created in section 23 of this act). Reimbursement for services shall be made to the state actuary under RCW 39.34.130.

NEW SECTION. Sec. 23. Sections 1 through 17 of this act constitute a new chapter in a new title to be codified as Title 50B RCW.

Passed by the House April 23, 2019.

Passed by the Senate April 16, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 364

[Engrossed Substitute Senate Bill 5526]

INDIVIDUAL HEALTH INSURANCE MARKET--STANDARDIZED AND STATE-PROCURED PLANS

AN ACT Relating to increasing the availability of quality, affordable health coverage in the individual market; adding a new section to chapter 43.71 RCW; adding a new section to chapter 42.56 RCW; adding new sections to chapter 41.05 RCW; adding new sections to chapter 48.43 RCW; adding a new section to chapter 82.04 RCW; creating new sections; and providing expiration dates.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 43.71 RCW to read as follows:

(1) The exchange, in consultation with the commissioner, the authority, an independent actuary, and other stakeholders, must establish up to three standardized health plans for each of the bronze, silver, and gold levels.

(a) The standardized health plans must be designed to reduce deductibles, make more services available before the deductible, provide predictable cost sharing, maximize subsidies, limit adverse premium impacts, reduce barriers to maintaining and improving health, and encourage choice based on value, while limiting increases in health plan premium rates.

(b) The exchange may update the standardized health plans annually.

(c) The exchange must provide a notice and public comment period before finalizing each year's standardized health plans.

(d) The exchange must provide written notice of the standardized health plans to licensed health carriers by January 31st before the year in which the health plans are to be offered on the exchange. The exchange may make modifications to the standardized plans after January 31st to comply with changes to state or federal law or regulations.

(2)(a) Beginning January 1, 2021, any health carrier offering a qualified health plan on the exchange must offer one silver standardized health plan and one gold standardized health plan on the exchange. If a health carrier offers a bronze health plan on the exchange, it must offer one bronze standardized health plan on the exchange.

(b)(i) A health plan offering a standardized health plan under this section may also offer nonstandardized health plans on the exchange.

(ii) The exchange, in consultation with the office of the insurance commissioner, shall analyze the impact to exchange consumers of offering only standard plans beginning in 2025 and submit a report to the appropriate committees of the legislature by December 1, 2023. The report must include an analysis of how plan choice and affordability will be impacted for exchange consumers across the state.

(iii) The actuarial value of nonstandardized silver health plans offered on the exchange may not be less than the actuarial value of the standardized silver health plan with the lowest actuarial value.

(c) A health carrier offering a standardized health plan on the exchange under this section must continue to meet all requirements for qualified health plan certification under RCW 43.71.065 including, but not limited to, requirements relating to rate review and network adequacy.

NEW SECTION. Sec. 2. A new section is added to chapter 42.56 RCW to read as follows:

(1) Any data submitted by health carriers to the health benefit exchange for purposes of establishing standardized health plans under section 1 of this act are exempt from disclosure under this chapter. This subsection applies to health carrier data in the custody of the insurance commissioner for purposes of consulting with the health benefit exchange under section 1(1) of this act.

(2) Any data submitted by health carriers to the health care authority for purposes of section 3 of this act are exempt from disclosure under this chapter.

NEW SECTION. Sec. 3. A new section is added to chapter 41.05 RCW to read as follows:

(1) The authority, in consultation with the health benefit exchange, must contract with one or more health carriers to offer qualified health plans on the Washington health benefit exchange for plan years beginning in 2021. A health carrier contracting with the authority under this section must offer at least one bronze, one silver, and one gold qualified health plan in a single county or in multiple counties. The goal of the procurement conducted under this section is to have a choice of qualified health plans under this section offered in every county in the state. The authority may not execute a contract with an apparently successful bidder under this section until after the insurance commissioner has given final approval of the health carrier's rates and forms pertaining to the

health plan to be offered under this section and certification of the health plan under RCW 43.71.065.

(2) A qualified health plan offered under this section must meet the following criteria:

(a) The qualified health plan must be a standardized health plan established under section 1 of this act;

(b) The qualified health plan must meet all requirements for qualified health plan certification under RCW 43.71.065 including, but not limited to, requirements relating to rate review and network adequacy;

(c) The qualified health plan must incorporate recommendations of the Robert Bree collaborative and the health technology assessment program;

(d) The qualified health plan may use an integrated delivery system or a managed care model that includes care coordination or care management to enrollees as appropriate;

(e) The qualified health plan must meet additional participation requirements to reduce barriers to maintaining and improving health and align to state agency value-based purchasing. These requirements may include, but are not limited to, standards for population health management; high-value, proven care; health equity; primary care; care coordination and chronic disease management; wellness and prevention; prevention of wasteful and harmful care; and patient engagement;

(f) To reduce administrative burden and increase transparency, the qualified health plan's utilization review processes must:

(i) Be focused on care that has high variation, high cost, or low evidence of clinical effectiveness; and

(ii) Meet national accreditation standards;

(g)(i) The total amount the qualified health plan reimburses providers and facilities for all covered benefits in the statewide aggregate, excluding pharmacy benefits, may not exceed one hundred sixty percent of the total amount medicare would have reimbursed providers and facilities for the same or similar services in the statewide aggregate;

(ii) Beginning in calendar year 2023, if the authority determines that selective contracting will result in actuarially sound premium rates that are no greater than the qualified health plan's previous plan year rates adjusted for inflation using the consumer price index, the director may, in consultation with the health benefit exchange, waive (g)(i) of this subsection as a requirement of the contracting process under this section;

(h) For services provided by rural hospitals certified by the centers for medicare and medicaid services as critical access hospitals or sole community hospitals, the rates may not be less than one hundred one percent of allowable costs as defined by the United States centers for medicare and medicaid services for purposes of medicare cost reporting;

(i) Reimbursement for primary care services, as defined by the authority, provided by a physician with a primary specialty designation of family medicine, general internal medicine, or pediatric medicine, may not be less than one hundred thirty-five percent of the amount that would have been reimbursed under the medicare program for the same or similar services; and

(j) The qualified health plan must comply with any requirements established by the authority to address amounts expended on pharmacy benefits including,

but not limited to, increasing generic utilization and use of evidence-based formularies.

(3) Nothing in this section prohibits a health carrier offering qualified health plans under this section from offering other health plans in the individual market.

NEW SECTION. Sec. 4. A new section is added to chapter 41.05 RCW to read as follows:

The director may, in his or her sole discretion, waive the requirements of section 3(2)(g)(i) of this act if he or she finds that:

(1) A health carrier offering a qualified health plan under section 3 of this act is unable to form a provider network that meets the network access standards adopted by the insurance commissioner due to the requirements of section 3(2)(g)(i) of this act; and

(2) The health carrier is able to achieve actuarially sound premiums that are ten percent lower than the previous plan year through other means.

NEW SECTION. Sec. 5. (1) The health care authority, in consultation with the insurance commissioner and the Washington health benefit exchange, must submit a report and recommendations to the legislature by December 1, 2022, regarding:

(a) The impact on qualified health plan choice, affordability, and market stability of linking offering a qualified health plan under section 3 of this act with participation in programs administered by the public employees' benefits board, the school employees' benefits board, or the health care authority;

(b) The impact on qualified health plan choice, qualified health plan provider networks, affordability, and market stability of linking provider participation in the provider networks of qualified health plans offered under section 3 of this act with provider participation in provider networks of programs administered by the public employees' benefits board, the school employees' benefits board, or the health care authority;

(c) Whether the utilization review processes employed by a health carrier offering a qualified health plan under section 3 of this act should align with clinical criteria published by the health care authority; and

(d) Other issues the health care authority deems relevant to the successful implementation of this act.

(2) This section expires January 1, 2023.

NEW SECTION. Sec. 6. (1) The Washington health benefit exchange, in consultation with the health care authority and the insurance commissioner, must develop a plan to implement and fund premium subsidies for individuals whose modified adjusted gross incomes are less than five hundred percent of the federal poverty level and who are purchasing individual market coverage on the exchange. The goal of the plan is to enable participating individuals to spend no more than ten percent of their modified adjusted gross incomes on premiums. The plan must also include an assessment of providing cost-sharing reductions to plan participants and must assess the impact of premium subsidies on the uninsured rate.

(2) The Washington health benefit exchange must submit the plan, along with proposed implementing legislation, to the appropriate committees of the legislature by November 15, 2020.

(3) This section expires January 1, 2021.

NEW SECTION. Sec. 7. A new section is added to chapter 48.43 RCW to read as follows:

The commissioner shall submit an annual report to the appropriate committees of the legislature on the number of health plans available per county in the individual market.

NEW SECTION. Sec. 8. A new section is added to chapter 48.43 RCW to read as follows:

A carrier may not require a provider or facility participating in a qualified health plan under section 3 of this act to, as a condition of participation in a qualified health plan under section 3 of this act, accept a reimbursement rate for other health plans offered by the carrier at the same rate as the provider or facility is reimbursed for a qualified health plan under section 3 of this act.

NEW SECTION. Sec. 9. A new section is added to chapter 82.04 RCW to read as follows:

This chapter does not apply to amounts received by a health care provider for services performed on patients covered by a qualified health plan offered under section 3 of this act, including reimbursement from the qualified health plan and any amounts collected from the patient as part of his or her cost-sharing obligation.

NEW SECTION. Sec. 10. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2019, in the omnibus appropriations act, this act is null and void.

Passed by the Senate April 27, 2019.

Passed by the House April 27, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 365

[Second Substitute Senate Bill 5511]

BROADBAND INTERNET SERVICE ACCESS

AN ACT Relating to expanding affordable, resilient broadband service to enable economic development, public safety, health care, and education in Washington's communities; amending RCW 54.16.330, 53.08.370, 80.36.630, 80.36.650, 80.36.660, 80.36.670, 80.36.680, 80.36.690, and 80.36.700; amending 2013 2nd sp.s. c 8 ss 212 and 303 (unmodified); reenacting and amending RCW 43.84.092; adding new sections to chapter 43.330 RCW; adding new sections to chapter 43.155 RCW; creating new sections; repealing RCW 43.330.415, 43.330.418, and 80.36.620; providing expiration dates; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that:

(1) Access to broadband is critical to full participation in society and the modern economy;

(2) Increasing broadband access to unserved areas of the state serves a fundamental governmental purpose and function and provides a public benefit to the citizens of Washington by enabling access to health care, education, and essential services, providing economic opportunities, and enhancing public health and safety;

(3) Achieving affordable and quality broadband access for all Washingtonians will require additional and sustained investment, research, local and community participation, and partnerships between private, public, and nonprofit entities;

(4) The federal communications commission has adopted a national broadband plan that includes recommendations directed to federal, state, and local governments, including recommendations to:

(a) Design policies to ensure robust competition and maximize consumer welfare, innovation, and investment;

(b) Ensure efficient allocation and management of assets that the government controls or influences to encourage network upgrades and competitive entry;

(c) Reform current universal service mechanisms to support deployment in high-cost areas, ensuring that low-income Americans can afford broadband, and supporting efforts to boost adoption and utilization; and

(d) Reform laws, policies, standards, and incentives to maximize the benefits of broadband in sectors that government influences significantly, such as public education, health care, and government operations;

(5) Extensive investments have been made by the telecommunications industry and the public sector, as well as policies and programs adopted to provide affordable broadband services throughout the state, that will provide a foundation to build a comprehensive statewide framework for additional actions needed to advance the state's broadband goals; and

(6) Providing additional funding mechanisms to increase broadband access in unserved areas is in the best interest of the state. To that end, this act establishes a grant and loan program that will support the extension of broadband infrastructure to unserved areas. To ensure this program primarily serves the public interest, the legislature intends that any grant or loan provided to a private entity under this program must be conditioned on a guarantee that the asset or infrastructure to be developed will be maintained for public use for a period of at least fifteen years.

NEW SECTION, Sec. 2. A new section is added to chapter 43.330 RCW to read as follows:

The definitions in this section apply throughout this section and sections 3 through 6 of this act unless the context clearly requires otherwise.

(1) "Board" means the public works board established in RCW 43.155.030.

(2) "Broadband" or "broadband service" means any service providing advanced telecommunications capability and internet access with transmission speeds that, at a minimum, provide twenty-five megabits per second download and three megabits per second upload.

(3) "Broadband infrastructure" means networks of deployed telecommunications equipment and technologies necessary to provide high-speed internet access and other advanced telecommunications services to end users.

(4) "Department" means the department of commerce.

(5) "Last mile infrastructure" means broadband infrastructure that serves as the final connection from a broadband service provider's network to the end-use customer's on-premises telecommunications equipment.

(6) "Local government" includes cities, towns, counties, municipal corporations, public port districts, public utility districts, quasi-municipal corporations, special purpose districts, and multiparty entities comprised of public entity members.

(7) "Middle mile infrastructure" means broadband infrastructure that links a broadband service provider's core network infrastructure to last mile infrastructure.

(8) "Office" means the governor's statewide broadband office established in section 3 of this act.

(9) "Tribe" means any federally recognized Indian tribe whose traditional lands and territories included parts of Washington.

(10) "Unserved areas" means areas of Washington in which households and businesses lack access to broadband service, as defined by the office, except that the state's definition for broadband service may not be actual speeds less than twenty-five megabits per second download and three megabits per second upload.

NEW SECTION. Sec. 3. A new section is added to chapter 43.330 RCW to read as follows:

(1) The governor's statewide broadband office is established. The director of the office must be appointed by the governor. The office may employ staff necessary to carry out the office's duties as prescribed by this act, subject to the availability of amounts appropriated for this specific purpose.

(2) The purpose of the office is to encourage, foster, develop, and improve affordable, quality broadband within the state in order to:

(a) Drive job creation, promote innovation, improve economic vitality, and expand markets for Washington businesses;

(b) Serve the ongoing and growing needs of Washington's education systems, health care systems, public safety systems, industries and business, governmental operations, and citizens; and

(c) Improve broadband accessibility for unserved communities and populations.

NEW SECTION. Sec. 4. A new section is added to chapter 43.330 RCW to read as follows:

(1) The office has the power and duty to:

(a) Serve as the central broadband planning body for the state of Washington;

(b) Coordinate with local governments, tribes, public and private entities, nonprofit organizations, and consumer-owned and investor-owned utilities to develop strategies and plans promoting deployment of broadband infrastructure and greater broadband access, while protecting proprietary information;

(c) Review existing broadband initiatives, policies, and public and private investments;

(d) Develop, recommend, and implement a statewide plan to encourage cost-effective broadband access and to make recommendations for increased usage, particularly in rural and other unserved areas;

(e) Update the state's broadband goals and definitions for broadband service in unserved areas as technology advances, except that the state's definition for

broadband service may not be actual speeds less than twenty-five megabits per second download and three megabits per second upload; and

(f) Encourage public-private partnerships to increase deployment and adoption of broadband services and applications.

(2) When developing plans or strategies for broadband deployment, the office must consider:

(a) Partnerships between communities, tribes, nonprofit organizations, local governments, consumer-owned and investor-owned utilities, and public and private entities;

(b) Funding opportunities that provide for the coordination of public, private, state, and federal funds for the purposes of making broadband infrastructure or broadband services available to rural and unserved areas of the state;

(c) Barriers to the deployment, adoption, and utilization of broadband service, including affordability of service; and

(d) Requiring minimum broadband service of twenty-five megabits per second download and three megabits per second upload speed, that is scalable to faster service.

(3) The office may assist applicants for the grant and loan program created in section 7 of this act with seeking federal funding or matching grants and other grant opportunities for deploying broadband services.

(4) The office may take all appropriate steps to seek and apply for federal funds for which the office is eligible, and other grants, and accept donations, and must deposit these funds in the statewide broadband account created in section 8 of this act.

(5) In carrying out its purpose, the office may collaborate with the utilities and transportation commission, the office of the chief information officer, the department of commerce, the community economic revitalization board, the public works board, the state librarian, and all other relevant state agencies.

NEW SECTION. Sec. 5. A new section is added to chapter 43.330 RCW to read as follows:

It is a goal of the state of Washington that:

(1) By 2024, all Washington businesses and residences have access to high-speed broadband that provides minimum download speeds of at least twenty-five megabits per second and minimum upload speeds of at least three megabits per second;

(2) By 2026, all Washington communities have access to at least one gigabit per second symmetrical broadband service at anchor institutions like schools, hospitals, libraries, and government buildings; and

(3) By 2028, all Washington businesses and residences have access to at least one provider of broadband with download speeds of at least one hundred fifty megabits per second and upload speeds of at least one hundred fifty megabits per second.

NEW SECTION. Sec. 6. A new section is added to chapter 43.330 RCW to read as follows:

(1) Beginning January 1, 2021, and biennially thereafter, the office shall report to the legislative committees with jurisdiction over broadband policy and finance on the office's activities during the previous two years.

(2) The report must, at a minimum, contain:

(a) An analysis of the current availability and use of broadband, including average broadband speeds, within the state;

(b) Information gathered from schools, libraries, hospitals, and public safety facilities across the state, determining the actual speed and capacity of broadband currently in use and the need, if any, for increases in speed and capacity to meet current or anticipated needs;

(c) An overview of incumbent broadband infrastructure within the state;

(d) A summary of the office's activities in coordinating broadband infrastructure development with the public works board, including a summary of funds awarded under section 7 of this act;

(e) Suggested policies, incentives, and legislation designed to accelerate the achievement of the goals under section 5 of this act; and

(f) Any proposed legislative and policy initiatives.

NEW SECTION. Sec. 7. A new section is added to chapter 43.155 RCW to read as follows:

(1) The board, in collaboration with the office, shall establish a competitive grant and loan program to award funding to eligible applicants in order to promote the expansion of access to broadband service in unserved areas of the state.

(2)(a) Grants and loans may be awarded under this section to assist in funding acquisition, installation, and construction of middle mile and last mile infrastructure that supports broadband services and to assist in funding strategic planning for deploying broadband service in unserved areas.

(b) The board may choose to fund all or part of an application for funding, provided that the application meets the requirements of subsection (9) of this section.

(3) Eligible applicants for grants and loans awarded under this section include:

(a) Local governments;

(b) Tribes;

(c) Nonprofit organizations;

(d) Cooperative associations;

(e) Multiparty entities comprised of public entity members;

(f) Limited liability corporations organized for the purpose of expanding broadband access; and

(g) Incorporated businesses or partnerships.

(4)(a) The board shall develop administrative procedures governing the application and award process. The board shall act as fiscal agent for the program and is responsible for receiving and reviewing applications and awarding funds under this section.

(b) At least sixty days prior to the first day applications may be submitted each fiscal year, the board must publish on its web site the specific criteria and any quantitative weighting scheme or scoring system that the board will use to evaluate or rank applications and award funding.

(c) The board may maintain separate accounting in the statewide broadband account created in section 8 of this act as the board deems necessary to carry out the purposes of this section.

(d) The board must provide a method for the allocation of loans, grants, provision of technical assistance, and interest rates under this section.

(5) An applicant for a grant or loan under this section must provide the following information on the application:

(a) The location of the project;

(b) Evidence regarding the unserved nature of the community in which the project is to be located;

(c) Evidence that proposed infrastructure will be capable of scaling to greater download and upload speeds;

(d) The number of households passed that will gain access to broadband service as a result of the project or whose broadband service will be upgraded as a result of the project;

(e) The estimated cost of retail services to end users facilitated by a project;

(f) The proposed actual download and upload speeds experienced by end users;

(g) Evidence of significant community institutions that will benefit from the proposed project;

(h) Anticipated economic, educational, health care, or public safety benefits created by the project;

(i) Evidence of community support for the project;

(j) If available, a description of the applicant's user adoption assistance program and efforts to promote the use of newly available broadband services created by the project;

(k) The estimated total cost of the project;

(l) Other sources of funding for the project that will supplement any grant or loan award;

(m) A demonstration of the project's long-term sustainability, including the applicant's financial soundness, organizational capacity, and technical expertise;

(n) A strategic plan to maintain long-term operation of the infrastructure;

(o) Evidence that no later than six weeks before submission of the application, the applicant contacted, in writing, all entities providing broadband service near the proposed project area to ask each broadband service provider's plan to upgrade broadband service in the project area to speeds that meet or exceed the state's definition for broadband service as defined in section 2 of this act, within the time frame specified in the proposed grant or loan activities;

(p) If applicable, the broadband service providers' written responses to the inquiry made under (o) of this subsection; and

(q) Any additional information requested by the board.

(6)(a) Within thirty days of the close of the grant and loan application process, the board shall publish on its web site the proposed geographic broadband service area and the proposed broadband speeds for each application submitted.

(b) Any existing broadband service provider near the proposed project area may, within thirty days of publication of the information under (a) of this subsection, submit in writing to the board an objection to an application. An objection must contain information demonstrating that:

(i) The project would result in overbuild, meaning that the objecting provider currently provides, or has begun construction to provide, broadband

service to end users in the proposed project area at speeds equal to or greater than the state speed goals contained in section 5 of this act; or

(ii) The objecting provider commits to complete construction of broadband infrastructure and provide broadband service to end users in the proposed project area at speeds equal to or greater than the state speed goals contained in section 5 of this act, no later than twenty-four months after the date awards are made under this section for the grant and loan cycle under which the application was submitted.

(c) Objections submitted to the board under this subsection must be certified by affidavit.

(d) The board may evaluate the information submitted under this section by the objecting provider and must consider it in making a determination on the application objected to. The board may request clarification or additional information. The board may choose to not fund a project if the board determines that the objecting provider's commitment to provide broadband service that meets the requirements of (b) of this subsection in the proposed project area is credible. In assessing the commitment, the board may consider whether the objecting provider has or will provide a bond, letter of credit, or other indicia of financial commitment guaranteeing the project's completion.

(e) If the board denies funding to an applicant as a result of a broadband service provider's objection made under this section, and the broadband service provider does not fulfill its commitment to provide broadband service in the project area, then for the following two grant and loan cycles, the board is prohibited from denying funding to an applicant on the basis of a challenge by the same broadband service provider, unless the board determines that the broadband service provider's failure to fulfill the provider's commitment was the result of factors beyond the broadband service provider's control. The board is not prohibited from denying funding to an applicant for reasons other than an objection by the same broadband service provider.

(f) An applicant or broadband service provider that objected to the application may request a debriefing conference regarding the board's decision on the application. Requests for debriefing must be coordinated by the office and must be submitted in writing in accordance with procedures specified by the office.

(g) Confidential business and financial information submitted by an objecting provider under this subsection is exempt from disclosure under chapter 42.56 RCW.

(7)(a) In evaluating applications and awarding funds, the board shall give priority to applications that are constructed in areas identified as unserved.

(b) In evaluating applications and awarding funds, the board may give priority to applications that:

(i) Provide assistance to public-private partnerships deploying broadband infrastructure from areas currently served with broadband service to areas currently lacking access to broadband services;

(ii) Demonstrate project readiness to proceed;

(iii) Construct infrastructure that is open access, meaning that during the useful life of the infrastructure, service providers may use network services and facilities at rates, terms, and conditions that are not discriminatory or preferential

between providers, and employing accountable interconnection arrangements published and available publicly;

(iv) Are submitted by tribal governments whose reservations are in rural and remote areas where reliable and efficient broadband services are unavailable to many or most residents;

(v) Bring broadband service to tribal lands, particularly to rural and remote tribal lands or areas servicing rural and remote tribal entities;

(vi) Are submitted by tribal governments in rural and remote areas that have spent significant amounts of tribal funds to address the problem but cannot provide necessary broadband services without either additional state support, additional federal support, or both;

(vii) Serve economically distressed areas of the state as the term "distressed area" is defined in RCW 43.168.020;

(viii) Offer new or substantially upgraded broadband service to important community anchor institutions including, but not limited to, libraries, educational institutions, public safety facilities, and health care facilities;

(ix) Facilitate the use of telemedicine and electronic health records, especially in deliverance of behavioral health services and services to veterans;

(x) Provide technical support and train residents, businesses, and institutions in the community served by the project to utilize broadband service;

(xi) Include a component to actively promote the adoption of newly available broadband services in the community;

(xii) Provide evidence of strong support for the project from citizens, government, businesses, and community institutions;

(xiii) Provide access to broadband service to a greater number of unserved households and businesses, including farms;

(xiv) Utilize equipment and technology demonstrating greater longevity of service;

(xv) Seek the lowest amount of state investment per new location served and leverage greater amounts of funding for the project from other private and public sources;

(xvi) Include evidence of a customer service plan;

(xvii) Consider leveraging existing broadband infrastructure and other unique solutions;

(xviii) Benefit public safety and fire preparedness; or

(xix) Demonstrate other priorities as the board, in collaboration with the office, may prescribe by rule.

(c) The board shall endeavor to award funds under this section to qualified applicants in all regions of the state.

(d) The board shall consider affordability and quality of service to end users in making a determination on any application.

(e) The board, in collaboration with the office, may develop additional rules for eligibility, project applications, the associated objection process, and funding priority, as provided under this subsection and subsections (3), (5), and (6) of this section.

(f) The board, in collaboration with the office, may adopt rules for a voluntary nonbinding mediation between incumbent providers and applicants to the grant and loan program created in this section.

(8) To ensure a grant or loan to a private entity under this section primarily serves the public interest and benefits the public, any such grant or loan must be conditioned on a guarantee that the asset or infrastructure to be developed will be maintained for public use for a period of at least fifteen years.

(9)(a) No funds awarded under this section may fund more than fifty percent of the total cost of the project, except as provided in (b) of this subsection.

(b) The board may choose to fund up to ninety percent of the total cost of a project in financially distressed areas as the term "distressed area" is defined in RCW 43.168.020, and in areas identified as Indian country as the term "Indian country" is defined in WAC 458-20-192.

(c) Funds awarded to a single project under this section must not exceed two million dollars, except that the board may choose to fund projects qualifying for the exception in (b) of this subsection up to, but not to exceed, five million dollars.

(10) Prior to awarding funds under this section, the board must consult with the Washington utilities and transportation commission. The commission must provide to the board an assessment of the technical feasibility of a proposed application. The board must consider the commission's assessment as part of its evaluation of a proposed application.

(11) The board shall have such rights of recovery in the event of default in payment or other breach of financing agreement as may be provided in the agreement or otherwise by law.

(12) The community economic revitalization board shall facilitate the timely transmission of information and documents from its broadband program to the board in order to effectuate an orderly transition.

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

NEW SECTION. Sec. 8. A new section is added to chapter 43.155 RCW to read as follows:

(1) The statewide broadband account is created in the state treasury. Moneys received from appropriations by the legislature, the proceeds of bond sales when authorized by the legislature, repayment of loans, or any other lawful source must be deposited into the account for uses consistent with this section. Moneys in the account may be spent only after appropriation.

(2) Expenditures from the account may be used only:

(a) For grant and loan awards made under section 7 of this act, including costs incurred by the board to administer section 7 of this act;

(b) To contract for data acquisition, a statewide broadband demand assessment, or gap analysis;

(c) To supplement revenues raised by bonds sold by local governments for broadband infrastructure development; or

(d) To provide for state match requirements under federal law.

(3) The board must maintain separate accounting for any federal funds in the account.

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

Sec. 9. RCW 54.16.330 and 2004 c 158 s 1 are each amended to read as follows:

(1)(a) A public utility district in existence on June 8, 2000, may construct, purchase, acquire, develop, finance, lease, license, handle, provide, add to, contract for, interconnect, alter, improve, repair, operate, and maintain any telecommunications facilities within or without the district's limits for the following purposes:

~~((a))~~ (i) For the district's internal telecommunications needs; ~~(and~~
~~(b))~~ (ii) For the provision of wholesale telecommunications services within the district and by contract with another public utility district.

(b) Except as provided in subsection (8) of this section, nothing in this ~~((subsection))~~ section shall be construed to authorize public utility districts to provide telecommunications services to end users.

(2) A public utility district providing wholesale or retail telecommunications services shall ensure that rates, terms, and conditions for such services are not unduly or unreasonably discriminatory or preferential. Rates, terms, and conditions are discriminatory or preferential when a public utility district offering rates, terms, and conditions to an entity for wholesale or retail telecommunications services does not offer substantially similar rates, terms, and conditions to all other entities seeking substantially similar services.

(3) A public utility district providing wholesale or retail telecommunications services shall not be required to, but may, establish a separate utility system or function for such purpose. In either case, a public utility district providing wholesale or retail telecommunications services shall separately account for any revenues and expenditures for those services according to standards established by the state auditor pursuant to its authority in chapter 43.09 RCW and consistent with the provisions of this title. Any revenues received from the provision of wholesale or retail telecommunications services must be dedicated to costs incurred to build and maintain any telecommunications facilities constructed, installed, or acquired to provide such services, including payments on debt issued to finance such services, until such time as any bonds or other financing instruments executed after June 8, 2000, and used to finance such telecommunications facilities are discharged or retired.

(4) When a public utility district provides wholesale or retail telecommunications services, all telecommunications services rendered to the district for the district's internal telecommunications needs shall be allocated or charged at its true and full value. A public utility district may not charge its nontelecommunications operations rates that are preferential or discriminatory compared to those it charges entities purchasing wholesale or retail telecommunications services.

(5) If a person or entity receiving retail telecommunications services from a public utility district under this section has a complaint regarding the reasonableness of the rates, terms, conditions, or services provided, the person or entity may file a complaint with the district commission.

(6) A public utility district shall not exercise powers of eminent domain to acquire telecommunications facilities or contractual rights held by any other person or entity to telecommunications facilities.

~~((6))~~ (7) Except as otherwise specifically provided, a public utility district may exercise any of the powers granted to it under this title and other applicable laws in carrying out the powers authorized under this section. Nothing in chapter

81, Laws of 2000 limits any existing authority of a public utility district under this title.

(8)(a) If an internet service provider operating on telecommunications facilities of a public utility district that provides wholesale telecommunications services but does not provide retail telecommunications services, ceases to provide access to the internet to its end-use customers, and no other retail service providers are willing to provide service, the public utility district may provide retail telecommunications services to the end-use customers of the defunct internet service provider in order for end-use customers to maintain access to the internet until a replacement internet service provider is, or providers are, in operation.

(b) Within thirty days of an internet service provider ceasing to provide access to the internet, the public utility district must initiate a process to find a replacement internet service provider or providers to resume providing access to the internet using telecommunications facilities of a public utility district.

(c) For a maximum period of five months, following initiation of the process begun in (b) of this section, or, if earlier than five months, until a replacement internet service provider is, or providers are, in operation, the district commission may establish a rate for providing access to the internet and charge customers to cover expenses necessary to provide access to the internet.

(9) The tax treatment of the retail telecommunications services provided by a public utility district to the end-use customers during the period specified in subsection (8) of this section must be the same as if those retail telecommunications services were provided by the defunct internet service provider.

Sec. 10. RCW 53.08.370 and 2018 c 169 s 2 are each amended to read as follows:

(1) A port district in existence on June 8, 2000, may construct, purchase, acquire, develop, finance, lease, license, handle, provide, add to, contract for, interconnect, alter, improve, repair, operate, and maintain any telecommunications facilities within or without the district's limits for the following purposes:

(a) For the district's own use; and

(b) For the provision of wholesale telecommunications services within or without the district's limits. Nothing in this subsection shall be construed to authorize port districts to provide telecommunications services to end users.

(2) Except as provided in subsection (9) of this section, a port district providing wholesale telecommunications services under this section shall ensure that rates, terms, and conditions for such services are not unduly or unreasonably discriminatory or preferential. Rates, terms, and conditions are discriminatory or preferential when a port district offering such rates, terms, and conditions to an entity for wholesale telecommunications services does not offer substantially similar rates, terms, and conditions to all other entities seeking substantially similar services.

(3) When a port district establishes a separate utility function for the provision of wholesale telecommunications services, it shall account for any and all revenues and expenditures related to its wholesale telecommunications facilities and services separately from revenues and expenditures related to its internal telecommunications operations. Any revenues received from the

provision of wholesale telecommunications services must be dedicated to the utility function that includes the provision of wholesale telecommunications services for costs incurred to build and maintain the telecommunications facilities until such time as any bonds or other financing instruments executed after June 8, 2000, and used to finance the telecommunications facilities are discharged or retired.

(4) When a port district establishes a separate utility function for the provision of wholesale telecommunications services, all telecommunications services rendered by the separate function to the district for the district's internal telecommunications needs shall be charged at its true and full value. A port district may not charge its nontelecommunications operations rates that are preferential or discriminatory compared to those it charges entities purchasing wholesale telecommunications services.

(5) A port district shall not exercise powers of eminent domain to acquire telecommunications facilities or contractual rights held by any other person or entity to telecommunications facilities.

(6) Except as otherwise specifically provided, a port district may exercise any of the powers granted to it under this title and other applicable laws in carrying out the powers authorized under this section. Nothing in chapter 81, Laws of 2000 limits any existing authority of a port district under this title.

(7) A port district that has not exercised the authorities provided in this section prior to June 7, 2018, must develop a business case plan before exercising the authorities provided in this section. The port district must procure an independent qualified consultant to review the business case plan, including the use of public funds in the provision of wholesale telecommunications services. Any recommendations or adjustments to the business case plan made during third-party review must be received and either rejected or accepted by the port commission in an open meeting.

(8) A port district with telecommunications facilities for use in the provision of wholesale telecommunications in accordance with subsection (1)(b) of this section may be subject to local leasehold excise taxes under RCW 82.29A.040.

(9)(a) A port district under this section may select a telecommunications company to operate all or a portion of the port district's telecommunications facilities.

(b) For the purposes of this section "telecommunications company" means any for-profit entity owned by investors that sells telecommunications services to end users.

(c) Nothing in this subsection (9) is intended to limit or otherwise restrict any other authority provided by law.

Sec. 11. RCW 80.36.630 and 2013 2nd sp.s. c 8 s 202 are each amended to read as follows:

(1) The definitions in this section apply throughout this section and RCW 80.36.650 through 80.36.690 and 80.36.610 unless the context clearly requires otherwise.

(a) "Basic residential service" means those services set out in 47 C.F.R. Sec. 54.101(a) (2011), as it existed on the effective date of this section, and mandatory extended area service approved by the commission.

(b) "Basic telecommunications services" means the following services:

(i) Single-party service;

- (ii) Voice grade access to the public switched network;
- (iii) Support for local usage;
- (iv) Dual tone multifrequency signaling (touch-tone);
- (v) Access to emergency services (911);
- (vi) Access to operator services;
- (vii) Access to interexchange services;
- (viii) Access to directory assistance; and
- (ix) Toll limitation services.

(c) "Broadband service" means any service providing advanced telecommunications capability, including internet access and access to high quality voice, data, graphics, or video.

(d) "Communications provider" means a provider of communications services that assigns a working telephone number to a final consumer for intrastate wireline or wireless communications services or interconnected voice over internet protocol service, and includes local exchange carriers.

~~((d))~~ (e) "Communications services" includes telecommunications services and information services and any combination thereof.

~~((e))~~ (f) "Incumbent local exchange carrier" has the same meaning as set forth in 47 U.S.C. Sec. 251(h).

~~((f))~~ (g) "Incumbent public network" means the network established by incumbent local exchange carriers for the delivery of communications services to customers that is used by communications providers for origination or termination of communications services by or to customers.

~~((g))~~ (h) "Interconnected voice over internet protocol service" means an interconnected voice over internet protocol service that: ~~((a) [(i)])~~ (i) Enables real-time, two-way voice communications; ~~((b) [(ii)])~~ (ii) requires a broadband connection from the user's location; ~~((c) [(iii)])~~ (iii) requires internet protocol-compatible customer premises equipment; and ~~((d) [(iv)])~~ (iv) permits users generally to receive calls that originate on the public network and to terminate calls to the public network.

~~((h))~~ (i) "Program" means the state universal communications services program created in RCW 80.36.650.

~~((i))~~ (j) "Telecommunications" has the same meaning as defined in 47 U.S.C. Sec. 153(43).

~~((j))~~ (k) "Telecommunications act of 1996" means the telecommunications act of 1996 (P.L. 104-104, 110 Stat. 56).

~~((k) "Working telephone number" means a north American numbering plan telephone number, or successor dialing protocol, that is developed for use in placing calls to or from the public network, that enables a consumer to make or receive calls.)~~

(2) This section expires July 1, ~~((2020))~~ 2025.

Sec. 12. RCW 80.36.650 and 2016 c 145 s 1 are each amended to read as follows:

(1) A state universal communications services program is established. The program is established to protect public safety and welfare under the authority of the state to regulate telecommunications under Article XII, section 19 of the state Constitution. The purpose of the program is to support continued provision of basic telecommunications services under rates, terms, and conditions established by the commission ~~((during the time over which incumbent~~

~~communications providers in the state are adapting to changes in federal universal service fund and intercarrier compensation support)) and the provision, enhancement, and maintenance of broadband services, recognizing that, historically, the incumbent public network functions to provide all communications services including, but not limited to, voice and broadband services.~~

(2) Under the program, eligible communications providers may receive distributions from the universal communications services account created in RCW 80.36.690 in exchange for the affirmative agreement to provide continued telecommunications services under the rates, terms, and conditions established by the commission under this chapter, and broadband services, for the period covered by the distribution. The commission must implement and administer the program under terms and conditions established in RCW 80.36.630 through 80.36.690. Expenditures for the program may not exceed five million dollars per fiscal year; provided, however, that if less than five million dollars is expended in any fiscal year, the unexpended portion must be carried over to subsequent fiscal years and, unless fully expended, must be available for program expenditures in such subsequent fiscal years in addition to the five million dollars allotted for each of those subsequent fiscal years.

(3) A communications provider is eligible to receive distributions from the account if:

(a)(~~i~~) The communications provider is: ((~~+~~)) (A) An incumbent local exchange carrier serving fewer than forty thousand access lines in the state; or ((~~+~~)) (B) a radio communications service company providing wireless two-way voice communications service and broadband services to less than the equivalent of forty thousand access lines in the state. For purposes of determining the access line threshold in this subsection, the access lines or equivalents of all wireline affiliates must be counted as a single threshold, if the lines or equivalents are located in Washington;

~~((~~b~~)) (ii) The ((customers of the communications provider are at risk of rate instability or service interruptions or cessations absent a distribution to the provider that will allow the provider to maintain rates reasonably close to the benchmark)) communications provider has adopted a plan to provide, enhance, or maintain broadband services in its service area; and~~

~~((~~e~~)) (iii) The communications provider meets any other requirements established by the commission pertaining to the provision of communications services, including basic telecommunications services; or~~

(b) The communications provider demonstrates to the commission that the communications provider is able to provide the same or comparable services at the same or similar service quality standards at a lower price; and: (i) Will provide communications services to all customers in the exchange or exchanges in which it will provide service; and (ii) submits to the commission's regulation of its service as if it were the incumbent local exchange company serving the exchange or exchanges for which it seeks distribution from the account.

(4)(a) Distributions to eligible communications providers are based on ~~((a benchmark)) criteria established by the commission. ((The benchmark is the rate the commission determines to be a reasonable amount customers should pay for basic residential service provided over the incumbent public network. However, if an incumbent local exchange carrier is charging rates above the benchmark for~~

~~the basic residential service, that provider may not seek distributions from the fund for the purpose of reducing those rates to the benchmark.))~~

(b) If the program does not have sufficient funds to fully fund the distribution formula set out in (a) of this subsection, distributions must be reduced on a pro rata basis using the amounts calculated for that year's program support as the basis of the pro rata calculations.

(c) To receive a distribution under the program, an eligible communications provider must affirmatively consent to continue providing communications services to its customers under rates, terms, and conditions established by the commission pursuant to this chapter for the period covered by the distribution.

(5) The program is funded from amounts deposited by the legislature in the universal communications services account established in RCW 80.36.690. The commission must operate the program within amounts appropriated for this purpose and deposited in the account.

(6) The commission must periodically review the accounts and records of any communications provider that receives distributions under the program to ensure compliance with the program and monitor the providers' use of the funds.

(7) The commission must establish an advisory board, consisting of a reasonable balance of representatives from different types of stakeholders, including but not limited to communications providers and consumers, to advise the commission on any rules and policies governing the operation of the program.

(8) The program terminates on June 30, (~~(2019)~~) 2024, and no distributions may be made after that date.

(9) This section expires July 1, (~~(2020)~~) 2025.

Sec. 13. RCW 80.36.660 and 2013 2nd sp.s. c 8 s 204 are each amended to read as follows:

(1) To implement the program, the commission must adopt rules for the following purposes:

(a) Operation of the program, including criteria for: Eligibility for distributions; use of the funds; identification of any reports or data that must be filed with the commission, including, but not limited to, how a communication provider used the distributed funds; and the communications provider's infrastructure;

(b) Operation of the universal communications services account established in RCW 80.36.690;

(c) Establishment of the (~~(benchmark)~~) criteria used to calculate distributions; and

(d) Readoption, amendment, or repeal of any existing rules adopted pursuant to RCW 80.36.610 (~~(and 80.36.620)~~) as necessary to be consistent with RCW 80.36.630 through 80.36.690 and 80.36.610.

(2) This section expires July 1, (~~(2020)~~) 2025.

Sec. 14. RCW 80.36.670 and 2013 2nd sp.s. c 8 s 205 are each amended to read as follows:

(1) In addition to any other penalties prescribed by law, the commission may impose penalties for failure to make or delays in making or filing any reports required by the commission for administration of the program. In addition, the commission may recover amounts determined to have been improperly

distributed under RCW 80.36.650. For the purposes of this section, the provisions of RCW 80.04.380 through 80.04.405, inclusive, apply to all companies that receive support from the universal communications services account created in RCW 80.36.690.

(2) Any action taken under this section must be taken only after providing the affected communications provider with notice and an opportunity for a hearing, unless otherwise provided by law.

(3) Any amounts recovered under this section must be deposited in the universal communications services account created in RCW 80.36.690.

(4) This section expires July 1, (~~2020~~) 2025.

Sec. 15. RCW 80.36.680 and 2013 2nd sp.s. c 8 s 206 are each amended to read as follows:

(1) The commission may delegate to the commission secretary or other staff the authority to resolve disputes and make other administrative decisions necessary to the administration and supervision of the program consistent with the relevant statutes and commission rules.

(2) This section expires July 1, (~~2020~~) 2025.

Sec. 16. RCW 80.36.690 and 2013 2nd sp.s. c 8 s 208 are each amended to read as follows:

(1) The universal communications services account is created in the custody of the state treasurer. Revenues to the account consist of moneys deposited in the account by the legislature and any penalties or other recoveries received pursuant to RCW 80.36.670. Expenditures from the account may be used only for the purposes of the universal communications services program established in RCW 80.36.650 and commission expenses related to implementation and administration of the provisions of RCW 80.36.630 through 80.36.690 and section 212, chapter 8, Laws of 2013 2nd sp. sess. Only the secretary of the commission or the secretary's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

(2) This section expires July 1, (~~2020~~) 2025.

Sec. 17. RCW 80.36.700 and 2013 2nd sp.s. c 8 s 211 are each amended to read as follows:

(1) The universal communications services program established in RCW 80.36.630 through 80.36.690 terminates on June 30, (~~2019~~) 2024.

(2) This section expires July 1, (~~2020~~) 2025.

Sec. 18. 2013 2nd sp.s. c 8 s 212 (uncodified) is amended to read as follows:

(1) By December 1, (~~2017~~) 2024, and in compliance with RCW 43.01.036, the Washington utilities and transportation commission (~~must~~) may report to the appropriate committees of the legislature, on the following: (~~(1)~~) (a) Whether funding levels for each small telecommunications company have been adequate to maintain reliable universal service; (~~(2)~~) (b) the future impacts on small telecommunications companies from the elimination of funding under this act; (~~(3)~~) (c) the impacts on customer rates from the current level of funding and the future impacts when the funding terminates under this act; and (~~(4)~~) (d) the impacts on line and service delivery investments when the funding is terminated under this act. The report may also include an analysis of the need for

future program funding and recommendations on potential funding mechanisms to improve the availability of communications services, including broadband service, in unserved areas. Commission expenses related to conducting all analysis in preparation of this report must be expended from the universal communications services account.

(2) The Washington utilities and transportation commission must initiate a rule making to reform the state universal communications services program no later than ninety days following the effective date of this section. The rule making must address adding broadband as a supported service and, consistent with the size of the fund, establishing:

(a) Broadband provider eligibility;

(b) Service performance and buildout requirements for funding recipients;

(c) Support amounts for maintaining systems that meet federal or state broadband speed guidelines; and

(d) Methods to effectively and efficiently distribute program support to eligible providers.

Sec. 19. RCW 43.84.092 and 2018 c 287 s 7, 2018 c 275 s 10, and 2018 c 203 s 14 are each reenacted and amended to read as follows:

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

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

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

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

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The abandoned recreational vehicle disposal account, the aeronautics account, the aircraft search and rescue account, the Alaskan Way viaduct replacement project account, the brownfield redevelopment trust fund account,

the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Chehalis basin account, the cleanup settlement account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the community forest trust account, the connecting Washington account, the county arterial preservation account, the county criminal justice assistance account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of licensing tuition recovery trust fund, the department of retirement systems expense account, the developmental disabilities community trust account, the diesel idle reduction account, the drinking water assistance account, the drinking water assistance administrative account, the early learning facilities development account, the early learning facilities revolving account, the Eastern Washington University capital projects account, the Interstate 405 express toll lanes operations account, the education construction fund, the education legacy trust account, the election account, the electric vehicle charging infrastructure account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the federal forest revolving account, the ferry bond retirement fund, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the public health services account, ((~~the high capacity transportation account,~~)) the state higher education construction account, the higher education construction account, the highway bond retirement fund, the highway infrastructure account, the highway safety fund, the high occupancy toll lanes operations account, the hospital safety net assessment fund, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the mobile home park relocation fund, the money-purchase retirement savings administrative account, the money-purchase retirement savings principal account, the motor vehicle fund, the motorcycle safety education account, the multimodal transportation account, the multiuse roadway safety account, the municipal criminal justice assistance account, the natural resources deposit account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pollution liability insurance agency underground storage tank revolving account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account beginning July 1, 2004, the public health supplemental account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puget Sound taxpayer accountability account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the resource management cost account, the

rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, the sexual assault prevention and response account, the site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state route number 520 civil penalties account, the state route number 520 corridor account, the state wildlife account, the statewide broadband account, the statewide tourism marketing account, the student achievement council tuition recovery trust fund, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the toll facility bond retirement account, the transportation 2003 account (nickel account), the transportation equipment fund, the transportation future funding program account, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the tuition recovery trust fund, the University of Washington bond retirement fund, the University of Washington building account, the volunteer firefighters' and reserve officers' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving administration account, the water pollution control revolving fund, the Western Washington University capital projects account, the Yakima integrated plan implementation account, the Yakima integrated plan implementation revenue recovery account, and the Yakima integrated plan implementation taxable bond account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, the state university permanent fund, and the state reclamation revolving account shall be allocated to their respective beneficiary accounts.

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

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

Sec. 20. 2013 2nd sp.s. c 8 s 303 (uncodified) is amended to read as follows:

Section 209 of this act expires July 1, (~~2020~~) 2025.

NEW SECTION. Sec. 21. The following acts or parts of acts are each repealed:

(1) RCW 43.330.415 (Washington community technology opportunity account) and 2011 1st sp.s. c 43 s 608, 2009 c 509 s 8, & 2008 c 262 s 8;

(2) RCW 43.330.418 (Broadband deployment and adoption—Governor's actions—Oversight and implementation by the department) and 2011 1st sp.s. c 43 s 609 & 2009 c 509 s 9; and

(3) RCW 80.36.620 (Universal service program—Rules) and 1998 c 337 s 3.

NEW SECTION. Sec. 22. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 23. Sections 11 through 18 and 20 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect immediately.

NEW SECTION. Sec. 24. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2019, in the omnibus appropriations act, this act is null and void.

Passed by the Senate April 24, 2019.

Passed by the House April 16, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 366

[House Bill 2144]

LAW ENFORCEMENT OFFICERS' AND FIREFIGHTERS' PLAN 2 PENSION BENEFITS-- FUNDING

AN ACT Relating to funding of law enforcement officers' and firefighters' plan 2 benefit improvements; amending RCW 41.26.802 and 41.26.805; creating a new section; repealing RCW 41.26.800; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that the current benefit formula and contributions for the law enforcement officers' and firefighters' plan 2 are inadequate to modify that formula to achieve pension adequacy for the shorter working careers of firefighters and police officers. The legislature recognizes that although some officers and firefighters are able to work comfortably beyond twenty-five years, the combat nature of fire suppression and law enforcement generally require earlier retirement ages. In recognition of the physical demands of the professions and the inherent risks faced by law enforcement officers and firefighters, eligibility for retirement in the law enforcement officers' and firefighters' plan 2 system has been set at age fifty-

three. However, the benefit formula is designed for careers of thirty-five to forty years, making retirement at age fifty-three an unrealistic option for many.

Therefore, the legislature declares that it is the purpose of this act to hasten the affordability of law enforcement officers' and firefighters' plan 2 benefit improvements, consistent with the intent associated with the creation of the benefits improvement fund, and designate reserves of the law enforcement officers' and firefighters' plan 2 for the sole purpose of benefit improvements.

Sec. 2. RCW 41.26.802 and 2017 3rd sp.s. c 1 s 964 are each amended to read as follows:

(1) ~~((By September 30, 2011, if the prior fiscal biennium's general state revenues exceed the previous fiscal biennium's revenues by more than five percent, subject to appropriation by the legislature, the state treasurer shall transfer five million dollars to the local public safety enhancement account.~~

~~(2) By September 30, 2019, and by September 30 of each odd-numbered year thereafter, if the prior fiscal biennium's general state revenues exceed the previous fiscal biennium's revenues by more than five percent, subject to appropriation by the legislature, the state treasurer shall transfer the lesser of one-third of the increase, or fifty million dollars, to the local public safety enhancement account.))~~ Prior to the effective date of this section, this section required certain transfers to be made to the local public safety enhancement account. After the effective date of this section, except for the transfer in subsection (2) of this section, no further transfers will be made to the local public safety enhancement account pursuant to this section.

(2) On July 1, 2019, the state treasurer shall transfer the sum of three hundred million dollars from the law enforcement officers' and firefighters' plan 2 retirement fund to the local law enforcement officers' and firefighters' retirement system benefits improvement account.

Sec. 3. RCW 41.26.805 and 2008 c 99 s 3 are each amended to read as follows:

(1) The local law enforcement officers' and firefighters' retirement system benefits improvement account (benefits account) is created within the law enforcement officers' and firefighters' retirement system plan 2 fund. ~~((All receipts from RCW 41.26.800(1) must be deposited into the account.))~~

(2) The funds in the benefits account shall not be included by the actuary retained by the board in the calculation of the market value of assets of the law enforcement officers' and firefighters' retirement system plan 2 fund until the board directs the actuary retained by the board in writing to do so for purposes of financing benefits enacted by the legislature. The board shall, in consultation with the state investment board and within ninety days of the transfer of funds into the benefits account, provide the actuary retained by the board, in writing, the market value of the amount directed from the benefits account for inclusion in the calculation of the market value of assets of the law enforcement officers' and firefighters' retirement system plan 2 fund. The market value of the amount directed from the benefits account shall be an amount determined by the state actuary to sufficiently offset the unfunded actuarial accrued liabilities of benefit improvements financed from this account. The market value of the amount directed from the benefits account shall be determined as of the date of the

direction from the board to include this amount for purposes of financing benefits enacted by the legislature.

(3) The law enforcement officers' and firefighters' plan 2 retirement board shall administer the fund in an actuarially sound manner.

(4) The state investment board has the full power to invest, reinvest, manage, contract, sell, or exchange investment money in the benefits account. The state investment board is authorized to adopt investment policies for the money in the benefits account. All investment and operating costs associated with the investment of money within the benefits account shall be paid pursuant to RCW 43.33A.160 and 43.84.160. With the exception of these expenses, the earnings from the investment of the money shall be retained by the benefits account.

(5) All investments made by the state investment board shall be made with the exercise of that degree of judgment and care pursuant to RCW 43.33A.140 and the investment policy established by the state investment board.

(6) When appropriate for investment purposes, the state investment board may commingle money in the fund with other funds.

(7) The authority to establish all policies relating to the benefits account, other than the investment policies set forth in this section, resides with the law enforcement officers' and firefighters' plan 2 retirement board. Other than investments by and expenses of the state investment board, disbursements from this fund may be made only on the authorization of the law enforcement officers' and firefighters' plan 2 retirement board for purposes of funding the member, employer, and state cost of financing benefits enacted by the legislature.

(8) The state investment board shall routinely consult with and communicate with the law enforcement officers' and firefighters' plan 2 retirement board on the investment policy, earnings of the trust, and related needs of the benefits account.

(9) Funds in the benefits account cannot be used to finance future benefit improvements if the state actuary determines that the actuarial present value of fully projected benefits for current and future members for all benefits being financed from this account exceeds the actuarial present value of the revenue provided under RCW 41.26.802 and the accrued earnings of the benefits account. When making the determination under this subsection, the state actuary shall select assumptions and methods to reduce the risk that the actual revenue received is less than the assumed revenue.

NEW SECTION. Sec. 4. RCW 41.26.800 (Local public safety enhancement account—Creation—Distribution—Uses) and 2008 c 99 s 2 are each repealed.

NEW SECTION. Sec. 5. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the House April 15, 2019.

Passed by the Senate April 24, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 367

[Substitute House Bill 1225]

DOMESTIC VIOLENCE--LAW ENFORCEMENT RESPONSE

AN ACT Relating to establishing policies and requirements regarding law enforcement response to domestic violence incidents to enhance the safety of domestic violence victims, families, and officers; amending RCW 10.99.030, 10.99.040, and 9.41.345; and adding new sections to chapter 10.99 RCW.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 10.99.030 and 2016 c 136 s 5 are each amended to read as follows:

~~(1) ((All training relating to the handling of domestic violence complaints by law enforcement officers shall stress enforcement of criminal laws in domestic situations, availability of community resources, and protection of the victim. Law enforcement agencies and community organizations with expertise in the issue of domestic violence shall cooperate in all aspects of such training.~~

~~(2) The criminal justice training commission shall implement by January 1, 1997, a course of instruction for the training of law enforcement officers in Washington in the handling of domestic violence complaints. The basic law enforcement curriculum of the criminal justice training commission shall include at least twenty hours of basic training instruction on the law enforcement response to domestic violence. The course of instruction, the learning and performance objectives, and the standards for the training shall be developed by the commission and focus on enforcing the criminal laws, safety of the victim, and holding the perpetrator accountable for the violence. The curriculum shall include training on the extent and prevalence of domestic violence, the importance of criminal justice intervention, techniques for responding to incidents that minimize the likelihood of officer injury and that promote victim safety, investigation and interviewing skills, evidence gathering and report writing, assistance to and services for victims and children, verification and enforcement of court orders, liability, and any additional provisions that are necessary to carry out the intention of this subsection.~~

~~(3) The criminal justice training commission shall develop and update annually an in-service training program to familiarize law enforcement officers with the domestic violence laws. The program shall include techniques for handling incidents of domestic violence that minimize the likelihood of injury to the officer and that promote the safety of all parties. The commission shall make the training program available to all law enforcement agencies in the state.~~

~~(4) Development of the training in subsections (2) and (3) of this section shall be conducted in conjunction with agencies having a primary responsibility for serving victims of domestic violence with emergency shelter and other services, and representatives to the statewide organization providing training and education to these organizations and to the general public.~~

~~(5))~~ The primary duty of peace officers, when responding to a domestic violence situation, is to enforce the laws allegedly violated and to protect the complaining party.

~~((6))~~ (2)(a) When a peace officer responds to a domestic violence call and has probable cause to believe that a crime has been committed, the peace officer shall exercise arrest powers with reference to the criteria in RCW 10.31.100. The officer shall notify the victim of the victim's right to initiate a criminal

proceeding in all cases where the officer has not exercised arrest powers or decided to initiate criminal proceedings by citation or otherwise. The parties in such cases shall also be advised of the importance of preserving evidence.

(b) A peace officer responding to a domestic violence call shall take a complete offense report including the officer's disposition of the case.

((7)) (3)(a) A peace officer who responds to a domestic violence call and has probable cause to believe that a crime has been committed shall:

(i) Seize all firearms and ammunition the peace officer has reasonable grounds to believe were used or threatened to be used in the commission of the offense;

(ii) Seize all firearms in plain sight or discovered pursuant to a lawful search; and

(iii) Request consent to take temporary custody of any other firearms and ammunition to which the alleged abuser has access until a judicial officer has heard the matter.

(b) The peace officer shall separate the parties and then inquire of the victim: (i) If there are any firearms or ammunition in the home that are owned or possessed by either party; (ii) if the alleged abuser has access to any other firearms located off-site; and (iii) whether the alleged abuser has an active concealed pistol license, so that there is a complete record for future court proceedings. The inquiry should make clear to the victim that the peace officer is not asking only about whether a firearm was used at the time of the incident but also under other circumstances, such as whether the alleged abuser has kept a firearm in plain sight in a manner that is coercive, has threatened use of firearms in the past, or has additional firearms in a vehicle or other location. Law enforcement personnel may use a pictorial display of common firearms to assist the victim in identifying firearms.

(c) The peace officer shall document all information about firearms and concealed pistol licenses in the incident report. The incident report must be coded to indicate the presence of or access to firearms so that personal recognizance screeners, prosecutors, and judicial officers address the heightened risk to victim, family, and peace officer safety due to the alleged abuser's access to firearms.

(d) A law enforcement agency shall comply with the provisions of RCW 9.41.340 and 9.41.345 before the return of any firearm or ammunition seized under this subsection to the owner or individual from who the firearm or ammunition was obtained.

(4) When a peace officer responds to a domestic violence call, the officer shall advise victims of all reasonable means to prevent further abuse, including advising each person of the availability of a shelter or other services in the community, and giving each person immediate notice of the legal rights and remedies available. The notice shall include handing each person a copy of the following statement:

"IF YOU ARE THE VICTIM OF DOMESTIC VIOLENCE, you can ask the city or county prosecuting attorney to file a criminal complaint. You also have the right to file a petition in superior, district, or municipal court requesting an order for protection from domestic abuse which could include any of the following: (a) An order restraining your

abuser from further acts of abuse; (b) an order directing your abuser to leave your household; (c) an order preventing your abuser from entering your residence, school, business, or place of employment; (d) an order awarding you or the other parent custody of or visitation with your minor child or children; ~~((and))~~ (e) an order restraining your abuser from molesting or interfering with minor children in your custody; and (f) an order requiring your abuser to turn in any firearms and concealed pistol license in the abuser's possession or control to law enforcement and prohibiting the abuser from possessing or accessing firearms or a concealed pistol license for the duration of the civil order. The forms you need to obtain a protection order are available in any municipal, district, or superior court.

Information about shelters and alternatives to domestic violence is available from a statewide twenty-four-hour toll-free hotline at (include appropriate phone number). The battered women's shelter and other resources in your area are (include local information)"

~~((8))~~ (5) The peace officer may offer, arrange, or facilitate transportation for the victim to a hospital for treatment of injuries or to a place of safety or shelter.

~~((9))~~ The law enforcement agency shall forward the offense report to the appropriate prosecutor within ten days of making such report if there is probable cause to believe that an offense has been committed, unless the case is under active investigation. Upon receiving the offense report, the prosecuting agency may, in its discretion, choose not to file the information as a domestic violence offense, if the offense was committed against a sibling, parent, stepparent, or grandparent.

~~(10)~~ Each law enforcement agency shall make as soon as practicable a written record and shall maintain records of all incidents of domestic violence reported to it.

~~(11)~~ Records kept pursuant to subsections (6) and (10) of this section shall be made identifiable by means of a departmental code for domestic violence.

~~(12)~~ Commencing January 1, 1994, records of incidents of domestic violence shall be submitted, in accordance with procedures described in this subsection, to the Washington association of sheriffs and police chiefs by all law enforcement agencies. The Washington criminal justice training commission shall amend its contract for collection of statewide crime data with the Washington association of sheriffs and police chiefs:

(a) To include a table, in the annual report of crime in Washington produced by the Washington association of sheriffs and police chiefs pursuant to the contract, showing the total number of actual offenses and the number and percent of the offenses that are domestic violence incidents for the following crimes: (i) Criminal homicide, with subtotals for murder and nonnegligent homicide and manslaughter by negligence; (ii) forcible rape, with subtotals for rape by force and attempted forcible rape; (iii) robbery, with subtotals for firearm, knife or cutting instrument, or other dangerous weapon, and strongarm robbery; (iv) assault, with subtotals for firearm, knife or cutting instrument,

~~other dangerous weapon, hands, feet, aggravated, and other nonaggravated assaults; (v) burglary, with subtotals for forcible entry, nonforcible unlawful entry, and attempted forcible entry; (vi) larceny theft, except motor vehicle theft; (vii) motor vehicle theft, with subtotals for autos, trucks and buses, and other vehicles; (viii) arson; and (ix) violations of the provisions of a protection order or no-contact order restraining the person from going onto the grounds of or entering a residence, workplace, school, or day care, provided that specific appropriations are subsequently made for the collection and compilation of data regarding violations of protection orders or no-contact orders;~~

~~(b) To require that the table shall continue to be prepared and contained in the annual report of crime in Washington until that time as comparable or more detailed information about domestic violence incidents is available through the Washington state incident based reporting system and the information is prepared and contained in the annual report of crime in Washington; and~~

~~(c) To require that, in consultation with interested persons, the Washington association of sheriffs and police chiefs prepare and disseminate procedures to all law enforcement agencies in the state as to how the agencies shall code and report domestic violence incidents to the Washington association of sheriffs and police chiefs.))~~

(6) An appointed or elected public official, public employee, or public agency as defined in RCW 4.24.470, or units of local government and its employees, as provided in RCW 36.28A.010, are immune from civil liability for damages arising out of the seizure or lack of seizure of a firearm, unless it is shown that the official, employee, or agency acted with gross negligence or in bad faith.

NEW SECTION, Sec. 2. A new section is added to chapter 10.99 RCW to read as follows:

(1) All training relating to the handling of domestic violence complaints by law enforcement officers must stress enforcement of criminal laws in domestic situations, availability of community resources, and protection of the victim. Law enforcement agencies and community organizations with expertise in the issue of domestic violence shall cooperate in all aspects of such training.

(2) The criminal justice training commission shall implement by the effective date of this section, a course of instruction for the training of law enforcement officers in Washington in the handling of domestic violence complaints. The basic law enforcement curriculum of the criminal justice training commission must include at least twenty hours of basic training instruction on the law enforcement response to domestic violence. The course of instruction, the learning and performance objectives, and the standards for the training must be developed by the commission and focus on enforcing the criminal laws, safety of the victim, and holding the perpetrator accountable for the violence. The curriculum must include training on the extent and prevalence of domestic violence, the importance of criminal justice intervention, techniques for responding to incidents that minimize the likelihood of officer injury and that promote victim safety, investigation and interviewing skills, evidence gathering and report writing, assistance to and services for victims and children, verification and enforcement of court orders, liability, and any additional provisions that are necessary to carry out the intention of this subsection.

(3) The criminal justice training commission shall develop and update annually an in-service training program to familiarize law enforcement officers with domestic violence laws. The program must include techniques for handling incidents of domestic violence that minimize the likelihood of injury to the officer and that promote the safety of all parties. The commission shall make the training program available to all law enforcement agencies in the state.

(4) Development of the training in subsections (2) and (3) of this section must be conducted in conjunction with agencies having a primary responsibility for serving victims of domestic violence with emergency shelter and other services, and representatives to the statewide organization providing training and education to these organizations and to the general public.

NEW SECTION. Sec. 3. A new section is added to chapter 10.99 RCW to read as follows:

(1) A law enforcement agency shall forward the offense report regarding any incident of domestic violence to the appropriate prosecutor within ten days of making such report if there is probable cause to believe that an offense has been committed, unless the case is under active investigation. Upon receiving the offense report, the prosecuting agency may, in its discretion, choose not to file the information as a domestic violence offense, if the offense was committed against a sibling, parent, stepparent, or grandparent.

(2) Each law enforcement agency shall make as soon as practicable a written record and shall maintain records of all incidents of domestic violence reported to it.

(3) Records kept pursuant to RCW 10.99.030 and this section must be made identifiable by means of a departmental code for domestic violence.

(4) Commencing on the effective date of this section, records of incidents of domestic violence must be submitted, in accordance with procedures described in this subsection, to the Washington association of sheriffs and police chiefs by all law enforcement agencies. The criminal justice training commission shall amend its contract for collection of statewide crime data with the Washington association of sheriffs and police chiefs:

(a) To include a table, in the annual report of crime in Washington produced by the Washington association of sheriffs and police chiefs pursuant to the contract, showing the total number of actual offenses and the number and percent of the offenses that are domestic violence incidents for the following crimes: (i) Criminal homicide, with subtotals for murder and nonnegligent homicide and manslaughter by negligence; (ii) forcible rape, with subtotals for rape by force and attempted forcible rape; (iii) robbery, with subtotals for firearm, knife or cutting instrument, or other dangerous weapon, and strongarm robbery; (iv) assault, with subtotals for firearm, knife or cutting instrument, other dangerous weapon, hands, feet, aggravated, and other nonaggravated assaults; (v) burglary, with subtotals for forcible entry, nonforcible unlawful entry, and attempted forcible entry; (vi) larceny theft, except motor vehicle theft; (vii) motor vehicle theft, with subtotals for autos, trucks and buses, and other vehicles; (viii) arson; and (ix) violations of the provisions of a protection order or no-contact order restraining the person from going onto the grounds of or entering a residence, workplace, school, or day care, provided that specific appropriations are subsequently made for the collection and compilation of data regarding violations of protection orders or no-contact orders;

(b) To require that the table shall continue to be prepared and contained in the annual report of crime in Washington until that time as comparable or more detailed information about domestic violence incidents is available through the Washington state incident-based reporting system and the information is prepared and contained in the annual report of crime in Washington; and

(c) To require that, in consultation with interested persons, the Washington association of sheriffs and police chiefs prepare and disseminate procedures to all law enforcement agencies in the state as to how the agencies shall code and report domestic violence incidents to the Washington association of sheriffs and police chiefs.

Sec. 4. RCW 10.99.040 and 2015 c 287 s 9 are each amended to read as follows:

(1) Because of the serious nature of domestic violence, the court in domestic violence actions:

(a) Shall not dismiss any charge or delay disposition because of concurrent dissolution or other civil proceedings;

(b) Shall not require proof that either party is seeking a dissolution of marriage prior to instigation of criminal proceedings;

(c) Shall waive any requirement that the victim's location be disclosed to any person, other than the attorney of a criminal defendant, upon a showing that there is a possibility of further violence: PROVIDED, That the court may order a criminal defense attorney not to disclose to his or her client the victim's location; and

(d) Shall identify by any reasonable means on docket sheets those criminal actions arising from acts of domestic violence.

(2)(a) Because of the likelihood of repeated violence directed at those who have been victims of domestic violence in the past, when any person charged with or arrested for a crime involving domestic violence is released from custody before arraignment or trial on bail or personal recognizance, the court authorizing the release may prohibit that person from having any contact with the victim. The jurisdiction authorizing the release shall determine whether that person should be prohibited from having any contact with the victim. If there is no outstanding restraining or protective order prohibiting that person from having contact with the victim, the court authorizing release may issue, by telephone, a no-contact order prohibiting the person charged or arrested from having contact with the victim or from knowingly coming within, or knowingly remaining within, a specified distance of a location.

(b) In issuing the order, the court shall consider the provisions of RCW 9.41.800, and shall order the defendant to surrender, and prohibit the person from possessing, all firearms, dangerous weapons, and any concealed pistol license as required in RCW 9.41.800.

(c) The no-contact order shall also be issued in writing as soon as possible, and shall state that it may be extended as provided in subsection (3) of this section. By January 1, 2011, the administrative office of the courts shall develop a pattern form for all no-contact orders issued under this chapter. A no-contact order issued under this chapter must substantially comply with the pattern form developed by the administrative office of the courts.

(3)(a) At the time of arraignment the court shall determine whether a no-contact order shall be issued or extended. So long as the court finds probable

cause, the court may issue or extend a no-contact order even if the defendant fails to appear at arraignment. The no-contact order shall terminate if the defendant is acquitted or the charges are dismissed.

(b) In issuing the order, the court shall consider all information documented in the incident report concerning the person's possession of and access to firearms and whether law enforcement took temporary custody of firearms at the time of the arrest. The court may as a condition of release prohibit the defendant from possessing or accessing firearms and order the defendant to immediately surrender all firearms and any concealed pistol license to a law enforcement agency upon release.

(c) If a no-contact order is issued or extended, the court may also include in the conditions of release a requirement that the defendant submit to electronic monitoring as defined in RCW 9.94A.030. If electronic monitoring is ordered, the court shall specify who shall provide the monitoring services, and the terms under which the monitoring shall be performed. Upon conviction, the court may require as a condition of the sentence that the defendant reimburse the providing agency for the costs of the electronic monitoring.

(4)(a) Willful violation of a court order issued under subsection (2), (3), or (7) of this section is punishable under RCW 26.50.110.

(b) The written order releasing the person charged or arrested shall contain the court's directives and shall bear the legend: "Violation of this order is a criminal offense under chapter 26.50 RCW and will subject a violator to arrest; any assault, drive-by shooting, or reckless endangerment that is a violation of this order is a felony. You can be arrested even if any person protected by the order invites or allows you to violate the order's prohibitions. You have the sole responsibility to avoid or refrain from violating the order's provisions. Only the court can change the order."

(c) A certified copy of the order shall be provided to the victim.

(5) If a no-contact order has been issued prior to charging, that order shall expire at arraignment or within seventy-two hours if charges are not filed.

(6) Whenever a no-contact order is issued, modified, or terminated under subsection (2) or (3) of this section, the clerk of the court shall forward a copy of the order on or before the next judicial day to the appropriate law enforcement agency specified in the order. Upon receipt of the copy of the order the law enforcement agency shall enter the order for one year or until the expiration date specified on the order into any computer-based criminal intelligence information system available in this state used by law enforcement agencies to list outstanding warrants. Entry into the computer-based criminal intelligence information system constitutes notice to all law enforcement agencies of the existence of the order. The order is fully enforceable in any jurisdiction in the state. Upon receipt of notice that an order has been terminated under subsection (3) of this section, the law enforcement agency shall remove the order from the computer-based criminal intelligence information system.

(7) All courts shall develop policies and procedures by January 1, 2011, to grant victims a process to modify or rescind a no-contact order issued under this chapter. The administrative office of the courts shall develop a model policy to assist the courts in implementing the requirements of this subsection.

Sec. 5. RCW 9.41.345 and 2018 c 226 s 1 are each amended to read as follows:

(1) Before a law enforcement agency returns a privately owned firearm, the law enforcement agency must:

(a) Confirm that the individual to whom the firearm will be returned is the individual from whom the firearm was obtained or an authorized representative of that person;

(b) Confirm that the individual to whom the firearm will be returned is eligible to possess a firearm pursuant to RCW 9.41.040;

(c) Ensure that the firearm is not otherwise required to be held in custody or otherwise prohibited from being released; and

(d) Ensure that twenty-four hours have elapsed from the time the firearm was obtained by law enforcement, unless the firearm was seized in connection with a domestic violence call pursuant to RCW 10.99.030, in which case the law enforcement agency must ensure that five business days have elapsed from the time the firearm was obtained.

(2)(a) Once the requirements in subsections (1) and (3) of this section have been met, a law enforcement agency must release a firearm to the individual from whom it was obtained or an authorized representative of that person upon request without unnecessary delay.

(b)(i) If a firearm cannot be returned because it is required to be held in custody or is otherwise prohibited from being released, a law enforcement agency must provide written notice to the individual from whom it was obtained within five business days of the individual requesting return of his or her firearm and specify the reason the firearm must be held in custody.

(ii) Notification may be made via email, text message, mail service, or personal service. For methods other than personal service, service shall be considered complete once the notification is sent.

(3) If a family or household member has requested to be notified pursuant to RCW 9.41.340, a law enforcement agency must:

(a) Provide notice to the family or household member within one business day of verifying that the requirements in subsection (1) of this section have been met; and

(b) Hold the firearm in custody for seventy-two hours from the time notification has been provided.

(4)(a) A law enforcement agency may not return a concealed pistol license that has been surrendered to or impounded by the law enforcement agency for any reason to the licensee until the law enforcement agency determines the licensee is eligible to possess a firearm under state and federal law and meets the other eligibility requirements for a concealed pistol license under RCW 9.41.070.

(b) A law enforcement agency must release a concealed pistol license to the licensee without unnecessary delay, and in no case longer than five business days, after the law enforcement agency determines the requirements of (a) of this subsection have been met.

(5) The provisions of chapter 130, Laws of 2015 and subsection (4) of this section shall not apply to circumstances where a law enforcement officer has momentarily obtained a firearm or concealed pistol license from an individual and would otherwise immediately return the firearm or concealed pistol license to the individual during the same interaction.

NEW SECTION. Sec. 6. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

Passed by the House April 23, 2019.

Passed by the Senate April 11, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 368

[Second Substitute House Bill 1344]

CHILD CARE ACCESS

AN ACT Relating to establishing the Washington child care access now act; amending 2018 c 91 s 1 (uncodified); adding new sections to chapter 43.330 RCW; adding a new section to chapter 43.41 RCW; creating new sections; and providing expiration dates.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. (1) The legislature finds that child care is a sector that is critical to the vitality and economic security of our state and communities and families, and that families in Washington face significant barriers to accessing and affording high quality child care. The legislature finds that Washington's committed caregivers and state investments and advancements in our quality rating and improvement system ensure that quality, culturally relevant child care supports children's healthy development and prepares them for success in school and in life. The legislature recognizes that provider diversity and cultural relevance are fundamental components of quality, and that parent choice is a priority throughout the state's early learning system.

(2) The legislature finds that the cost of quality child care is unaffordable for many families and state support is needed to ensure that all children and families in Washington can access safe, enriching child care.

(3) The legislature recognizes that expanding access to quality child care requires preparing the market of child care providers to meet existing and expanded demand. The legislature finds that the market of child care providers is shrinking, that child care deserts are expanding, and that fewer providers are offering services to working connections child care subsidy recipients. The legislature additionally finds that child care providers are unable to recruit and retain a qualified workforce; that wages in the industry remain among the lowest of all professions, at or near minimum wage; and that the relationship between a child and a qualified caregiver is of paramount importance to parents and, according to a rapidly accumulating body of brain science, is foundational to supporting healthy development.

(4) Further, while the system awaits systemic change, the legislature finds that steps must be taken to begin to preserve and expand access to child care for child care subsidy recipients, stabilize the child care industry, and reduce turnover in the workforce.

(5) Therefore, the legislature intends to promote high quality child care from diverse providers that is accessible and affordable to all families of Washington's children ages birth to twelve.

NEW SECTION. Sec. 2. A new section is added to chapter 43.330 RCW to read as follows:

(1)(a) The department shall enter into one or more contracts for the development of a regional assessment of the child care industry in Washington in order to better understand issues affecting child care access and affordability for families. The department shall collaborate with the office of innovation, alignment, and accountability within the department of children, youth, and families to ensure efficient use of available data and rigorous research methods and to assist with interpretation of data and report preparation.

(b) The department shall conduct one or more competitive solicitations in accordance with chapter 39.26 RCW to select a third-party entity or entities to conduct the industry assessment in partnership with a statewide organization representing parents. The third-party entity or entities selected by the department through the competitive process must have experience in national industry assessment and expertise in conducting facilities' needs assessments. The statewide organization representing parents must have experience conducting parent listening tours.

(c) The department may use a combination of private and public resources to support activities related to the child care industry assessment conducted under this section.

(2) The industry assessment must be submitted to the appropriate policy and fiscal committees of the legislature, the governor, and the members of the child care collaborative task force established in chapter 91, Laws of 2018 by July 1, 2020. The assessment may be developed using existing reports, studies, models, and analysis related to child care affordability and access. The assessment must, at a minimum:

(a) Incorporate current data on the number of children age twelve and under who are receiving care from child care and early learning providers. The data must differentiate, to the extent possible: Children served by licensed and certified child care centers and family homes; public schools providing preschool and child care programs; private schools providing child care programs; state agencies and other public municipalities providing child care programs; license-exempt providers who care for children for four hours or less per day; family, friend, and neighbor caregivers; nannies and au pairs; religious organizations providing care; entities providing before-and-after school care; employer-supported child care; and other formal and informal networks of care. The data must, to the extent possible, include a breakdown by provider type of the:

(i) Number of children receiving state subsidized care;

(ii) Number of children receiving exclusively private pay care;

(iii) Number of providers who are accepting state subsidy and, for providers who are not accepting subsidy, reasons why not;

(iv) Demographics of children served, including age, race, rates of developmental delays or disability, family income, home language, and population group trends. Demographic information must include military, homeless, and tribal families; and

(v) Demographics of providers, including age, race, family income, home language, number of years providing care, education levels, utilization rates of state assistance, and the number of times a provider has changed locations;

(b) Define and describe the characteristics of the informal child care market, including estimates of the children served in this market by age group;

(c) Identify family child care choices by family income bracket;

(d) Include a visual representation of child care supply and demand by region that identifies areas with the highest need related to child care accessibility and affordability;

(e) Identify trends in the relationship between private pay rates and subsidy rates for child care providers;

(f) Include, to the extent possible, an analysis of the industry's quantitative or qualitative contribution to the state's economy, including:

(i) Employment and wage information for self-employed licensed child care providers and the employees of licensed child care providers, including information about providers accessing public assistance;

(ii) Workforce pipeline data for early learning professions;

(iii) The estimated costs to the state economy of child care inaccessibility, including lost economic activity and reduced tax revenue; and

(iv) Direct and indirect effects on labor participation, workplace productivity, and household earnings of working parents who use child care. The analysis must include information related to the workplace productivity of workers using employer-supported child care; and

(g) Include a facilities needs assessment to determine the type and number of child care facilities necessary to address unmet capacity needs for high quality child care programs such as the early childhood education and assistance program, headstart, working connections child care, and early head start. The needs assessment must include zip code level analysis to identify geographic areas with concentrated barriers to access.

(3) For the purposes of this section, "employer-supported child care" means:

(a) A licensed child care center operated at or near the workplace by an employer for the benefit of employees; or

(b) Financial assistance provided by an employer for licensed child care expenses incurred by an employee.

(4) This section expires December 31, 2020.

NEW SECTION. Sec. 3. A new section is added to chapter 43.41 RCW to read as follows:

(1) The office of financial management, within existing resources, in partnership with the department of commerce, the office of innovation, alignment, and accountability within the department of children, youth, and families, and the health care authority, shall develop a survey for state executive branch agency employees in order to better understand issues affecting child care access and affordability for state employees' families.

(2) The survey must, at a minimum:

(a) Identify the number of children age twelve and under of state employees who are receiving care from child care or early learning providers. The survey must allow employees to differentiate, to the extent possible, the type of child care or early learning provider serving the family, including:

(i) Licensed and certified child care centers and family homes;

(ii) License-exempt providers who care for children for four hours or less per day;

(iii) Family, friend, and neighbor caregivers;

- (iv) Nannies and au pairs;
- (v) Religious organizations providing care;
- (vi) Entities providing before-and-after school care;
- (vii) Employer-supported child care; and
- (viii) Other formal and informal networks of care;
- (b) Identify the number of children age twelve and under whose care is paid for in whole or in part with state subsidies;
- (c) Allow employees to describe challenges they face in accessing or paying for child care; and
- (d) Ask employees to provide their total annual household income.
- (3) The survey must be made available to all state executive branch agency employees with children age twelve and under no later than January 15, 2020.
- (4) The department of commerce, in collaboration with the office of financial management and the office of innovation, alignment, and accountability within the department of children, youth, and families, shall analyze this data and report as part of the larger industry analysis described in section 2 of this act. In addition to the information required under section 2 of this act, the report must also include:
 - (a) A breakdown of:
 - (i) The number of children of state executive branch agency employees receiving care based on provider type;
 - (ii) The number of children of state executive branch agency employees receiving state subsidized care; and
 - (iii) The number of children of state executive branch agency employees receiving exclusively private pay care;
 - (b) An analysis of the relationship between family child care choices and household income bracket; and
 - (c) A narrative summary of the challenges that state executive branch agency employees face in accessing or paying for child care.
- (5) This section expires December 31, 2020.

Sec. 4. 2018 c 91 s 1 (uncodified) is amended to read as follows:

(1) The department of commerce and the department of children, youth, and families shall jointly convene and facilitate a child care collaborative task force to:

(a) Examine the effects of child care affordability and accessibility on the workforce and on businesses; and

(b) Develop policy recommendations pursuant to section 6 of this act. ((The director of the department of commerce or his or her designee must convene the first meeting of the task force by September 1, 2018.))

(2) The task force shall develop policies and recommendations to incentivize employer-supported child care and improve child care access and affordability for employees. To accomplish its duties, the task force shall evaluate current available data including, but not limited to:

(a) Child care market rate survey reports, including data related to the geographic distribution of licensed child care providers and the demand for, cost, and availability of such providers;

(b) Best practices for employer-supported child care; ~~((and))~~

(c) Research related to the economic and workforce impacts of employee access to high quality, affordable child care; and

(d) The industry assessment conducted pursuant to section 2 of this act.

(3) The governor shall appoint (~~(additional)~~) voting task force members as follows:

(a) (~~(Five representatives of private business, including: One representative of a small business; one representative of a medium-sized business; one representative of a large business; and two chamber of commerce representatives, one located east of the crest of the Cascade mountains and one located west of the crest of the Cascade mountains;~~

~~(b))~~ (b) One representative from a union representing child care providers;

~~((e))~~ (b) One representative from the statewide child care resource and referral network;

~~((d))~~ (c) One representative of an organization representing the interests of licensed child day care centers;

~~((e))~~ (d) One representative of a statewide nonprofit organization comprised of senior executives of major private sector employers;

~~((f))~~ (e) One representative of a nongovernmental private-public partnership supporting home visiting service delivery;

~~((g))~~ (f) One representative of a federally recognized tribe; and

~~((h))~~ (g) One representative from an association representing business interests.

(4) One representative from each of the following agencies shall serve as a nonvoting member of the task force and provide data and information to the task force upon request:

(a) The department of commerce;

(b) The department of children, youth, and families. The representative from the department of children, youth, and families must have expertise in child care subsidy policy; and

~~(c) ((The employment security department;~~

~~(d) The department of revenue;~~

~~(e) The department of social and health services; and~~

~~(f))~~ The office of the governor.

(5) The president of the senate shall appoint one member to the task force from each of the two largest caucuses of the senate to serve as (~~(nonvoting)~~) voting members of the task force.

(6) The speaker of the house of representatives shall appoint one member to the task force from each of the two largest caucuses in the house of representatives to serve as (~~(nonvoting)~~) voting members of the task force.

(7) The governor shall appoint the following nonvoting members:

(a) Three representatives from the child care industry. At least one of the child care industry representatives must be a provider from a rural community. The three representatives must include: One licensed child day care center provider; one licensed family day care provider; and one representative of family, friend, and neighbor child care providers;

~~(b) ((Two representatives of economic development organizations, one located east of the crest of the Cascade mountains and one located west of the crest of the Cascade mountains;~~

~~(c) Four representatives of))~~ One representative from each of the following: An advocacy organization((s)) representing parents, an early learning advocacy

organization, a foster care youth advocacy organization, and an organization representing expanded learning opportunity interests;

~~((d) One representative from an association representing statewide transit interests;~~

~~(e) One representative of an institution of higher education; and~~

~~(f) One representative of a nonprofit organization providing training and professional development for family day care providers and family, friend, and neighbor child care providers))~~

(c) One representative from the child care workforce development technical work group established in chapter 1, Laws of 2017 3rd sp. sess.;

(d) An early learning policy expert; and

(e) One representative of an organization of early learning providers focused on preserving languages and culture by serving immigrant and refugee communities.

(8) The director of commerce or the secretary of the department of children, youth, and families or ~~((his or her))~~ their designee, may invite additional representatives to participate as nonvoting members of the task force.

(9) The task force chair and vice chair must be elected by a majority vote of voting task force members.

(10) Staff support for the task force must be provided by the department of commerce.

(11) Legislative members of the task force shall be reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members shall be reimbursed for travel expenses in accordance with chapter 43.03 RCW.

(12) Licensed family home child care providers and child care center providers serving as members of the task force must be reimbursed for the cost of hiring a substitute for times the provider is away from the child care businesses for official task force travel and meetings.

(13) In accordance with RCW 43.01.036 the task force shall report its initial findings and recommendations pursuant to this section to the governor and the appropriate committees of the legislature by November 1, 2019. The report must include findings related to:

(a) Options for the state to incentivize the provision of:

(i) Employer-supported child care by public and private employers; and

(ii) Back-up child care by public and private employers;

(b) Opportunities for streamlining permitting and licensing requirements to facilitate the development and construction of child care facilities;

(c) Potential tax incentives for private businesses providing employer-supported child care;

(d) A model policy for the establishment of a "bring your infant to work" program for public and private sector employees; and

(e) Policy recommendations that address racial, ethnic, and geographic disparity and disproportionality in service delivery and accessibility to services for families.

~~((13))~~ (14) For the purposes of this section:

(a) "Back-up child care" means a temporary child care arrangement that is provided when normal child care arrangements are unavailable.

(b) "Employer-supported child care" includes:

(i) A licensed child care center operated at or near the workplace by an employer for the benefit of employees; or

(ii) Financial assistance provided by an employer for licensed child care expenses incurred by an employee.

~~((14))~~ (15) This section expires ~~((December 30, 2019))~~ July 1, 2021.

NEW SECTION. Sec. 5. (1) Members of the child care collaborative task force created by chapter 91, Laws of 2018, and serving on the task force as of January 1, 2019, may continue to serve as members of the task force without reappointment.

(2) This section expires July 1, 2021.

NEW SECTION. Sec. 6. A new section is added to chapter 43.330 RCW to read as follows:

(1) The child care collaborative task force shall:

(a)(i) Develop a child care cost estimate model to determine the full costs providers would incur when providing high quality child care, including recommended teacher-child ratios based on research and best practices. The model must include:

(A) Regional differences;

(B) Employee salaries and benefits;

(C) Enrollment levels;

(D) Facility costs; and

(E) Costs associated with compliance with statutory and regulatory requirements, including quality rating system participation and identify specific costs associated with each level of the rating system and any quality indicators utilized.

(ii) The model must utilize existing data and research available from existing studies and reports.

(iii) The model must consider differentiating subsidy rates by child age and region, evaluate the effectiveness of current child care subsidy region boundaries, and examine alternatives such as zip code level regions or regionalization based on urban, suburban, and rural designations;

(b) Consider how the measure of state median income could be used in place of federal poverty level when determining eligibility for child care subsidy;

(c) Evaluate recommendations from the department of children, youth, and families' technical work group on compensation, including consideration of pay scale changes, to achieve pay parity with K-12 teachers by January 1, 2025. When considering implementation of the technical work group recommendations, the task force shall further develop policy recommendations for the department of children, youth, and families that:

(i) Endeavor to preserve and increase racial and ethnic equity and diversity in the child care workforce and recognize the value of cultural competency and multilingualism;

(ii) Include a salary floor that supports recruitment and retention of a qualified workforce in every early learning setting, determined by an analysis of fields that compete to recruit workers with comparable skills, competencies, and experience of early childhood educators;

(iii) Index salaries for providers against the salary for a typical preschool lead teacher, differentiating base compensation for varying levels of responsibility within the early childhood workplace including consideration of center directors, assistant directors, lead teachers, assistant teachers, paraprofessionals, family child care owners, and family home assistants;

(iv) Incentivize advancements in relevant higher education credentials and credential equivalencies, training, and years of experience, by increasing compensation for each of these, including early learning certificates, associate degrees, bachelor's degrees, master's degrees, and doctoral degrees;

(v) Consider credential equivalencies, including certified demonstration of competencies developed through apprenticeships, peer learning models, community-based training, and other strategies;

(vi) Consider a provider's years of experience in the field and years of experience at his or her current site;

(vii) Differentiate subsidy rates by region; and

(viii) Provide additional targeted investments for providers serving a high proportion of working connections child care families, providers demonstrating additional linguistic or cultural competency, and providers serving populations furthest from opportunity, including:

(A) Families enrolled in the early childhood education and assistance program;

(B) Underserved geographic communities;

(C) Underserved ethnic or linguistic communities;

(D) Underserved age groups such as infants and toddlers; and

(E) Populations with specialized health or educational needs;

(d) Develop a phased implementation plan for policy changes to the working connections child care program. The implementation plan must focus on children and families furthest from opportunity as defined by income and must include recommended targeted supports for providers serving children who are underserved and emphasize greater racial equity. Implementation plan components must include:

(i) Increasing program income eligibility to three hundred percent of the federal poverty level or eighty-five percent of the state median income;

(ii) Establishing a graduated system of copayments that eliminates the cliff effect for families and limits the amount a family pays for child care to a maximum of seven percent of the family's income by January 1, 2025;

(iii) Developing a model to enable the state to provide contracted slots to programs serving working connections child care families in order to expand access for low-income families;

(iv) Eliminating work requirements for student families participating in the working connections child care program; and

(v) Eliminating the fiscal cap on working connections child care enrollment; and

(e) Develop a strategy, timeline, and implementation plan to reach the goal of accessible and affordable child care for all families by the year 2025.

(2) By December 1, 2020, the task force must submit its findings and required implementation plan pursuant to subsection (1)(a) through (d) of this section to the governor and the appropriate committees of the legislature. By June 1, 2021, the task force must submit the strategy, timeline, and

implementation plan required by subsection (1)(e) of this section to the governor and the appropriate committees of the legislature.

(3) This section expires July 1, 2021.

NEW SECTION. Sec. 7. (1) By January 1, 2025, the department of children, youth, and families must use the child care cost model developed under section 6 of this act to determine child care subsidy rates.

(2) This section expires January 30, 2025.

NEW SECTION. Sec. 8. Section 4 of this act is added to chapter 43.330 RCW.

NEW SECTION. Sec. 9. This act may be known and cited as the Washington child care access now act.

NEW SECTION. Sec. 10. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2019, in the omnibus appropriations act, this act is null and void.

Passed by the House April 18, 2019.

Passed by the Senate April 12, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 369

[Engrossed Second Substitute House Bill 1391]

EARLY ACHIEVERS PROGRAM--VARIOUS PROVISIONS

AN ACT Relating to implementing improvements to the early achievers program as reviewed and recommended by the joint select committee on the early achievers program; amending RCW 43.216.085, 43.216.515, 43.216.135, 43.216.087, 43.216.655, 43.216.089, and 43.216.100; adding new sections to chapter 43.216 RCW; creating new sections; and providing expiration dates.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. (1) The legislature finds that a commitment to early learning quality was established through the passage of the early start act and creation of the early achievers program. The legislature recognizes that achieving the desired child outcomes from high quality early learning and child care requires additional financial support, including the payment of living wages to providers, and that the success of the early achievers system must continue to be supported through adequate funding. Further, the legislature finds that the federal administration of children and families advises states to set child care subsidy rates at the seventy-fifth percentile of private market rates in order to ensure equal access to high quality child care. The legislature further finds that objectives of the early achievers program include providing professional development and robust training and coaching opportunities that are available in geographically diverse areas to child care and early education providers who are often small business owners and as such play a critical role in our state's economy.

(2) The legislature further finds that the department of children, youth, and families has undertaken efforts to identify professional equivalencies for early learning providers that recognize the commitment and years of experience that much of the workforce demonstrates.

(3) Therefore, as recommended by the joint select committee on the early achievers program, the legislature intends to work toward raising base subsidy rates for licensed child care centers and family homes and further incentivize the provision of care for infants and toddlers by considering rates for providers serving these young children. Further, the legislature intends to look to increase needs-based grants, scholarships, and professional development assistance, as well as reduce early achievers coaching ratios, in order to support providers in continuous improvement. The legislature further intends to support the work of the department of children, youth, and families' professional equivalencies committee and the department's development of the proficiency review process.

Sec. 2. RCW 43.216.085 and 2017 3rd sp.s. c 6 s 113 are each amended to read as follows:

(1) The department, in collaboration with tribal governments and community and statewide partners, shall implement a quality rating and improvement system, called the early achievers program. The early achievers program provides a foundation of quality for the early care and education system. The early achievers program is applicable to licensed or certified child care centers and homes and early learning programs such as working connections child care and early childhood education and assistance programs.

(2) The objectives of the early achievers program are to:

(a) Improve short-term and long-term educational outcomes for children as measured by assessments including, but not limited to, the Washington kindergarten inventory of developing skills in RCW 28A.655.080;

(b) Give parents clear and easily accessible information about the quality of child care and early education programs;

(c) Support improvement in early learning and child care programs throughout the state;

(d) Increase the readiness of children for school;

(e) Close the disparities in access to quality care;

(f) Provide professional development and coaching opportunities to early child care and education providers; and

(g) Establish a common set of expectations and standards that define, measure, and improve the quality of early learning and child care settings.

(3)(a) Licensed or certified child care centers and homes serving nonschool-age children and receiving state subsidy payments must participate in the early achievers program by the required deadlines established in RCW 43.216.135.

(b) Approved early childhood education and assistance program providers receiving state-funded support must participate in the early achievers program by the required deadlines established in RCW 43.216.515.

(c) Participation in the early achievers program is voluntary for:

(i) Licensed or certified child care centers and homes not receiving state subsidy payments; and

(ii) Early learning programs not receiving state funds.

(d) School-age child care providers are exempt from participating in the early achievers program. By July 1, 2017, the department and the office of the superintendent of public instruction shall jointly design a plan to incorporate school-age child care providers into the early achievers program or other appropriate quality improvement system. To test implementation of the early achievers system for school-age child care providers the department and the

office of the superintendent of public instruction shall implement a pilot program.

(4)(a) There are five primary levels in the early achievers program.

(b) In addition to the primary levels, the department must establish an intermediate level that is between level 3 and level 4 and serves to assist participants in transitioning to level 4.

(c) Participants are expected to actively engage and continually advance within the program.

(5) The department has the authority to determine the rating cycle for the early achievers program. The department shall streamline and eliminate duplication between early achievers standards and state child care rules in order to reduce costs associated with the early achievers rating cycle and child care licensing.

(a) Early achievers program participants may request to be rated at any time after the completion of all level 2 activities.

(b) The department shall provide an early achievers program participant an update on the participant's progress toward completing level 2 activities after the participant has been enrolled in the early achievers program for fifteen months.

(c) The first rating is free for early achievers program participants.

(d) Each subsequent rating within the established rating cycle is free for early achievers program participants.

(6)(a) Early achievers program participants may request to be rerated outside the established rating cycle. A rerating shall reset the rating cycle timeline for participants.

(b) The department may charge a fee for optional rerating requests made by program participants that are outside the established rating cycle.

(c) Fees charged are based on, but may not exceed, the cost to the department for activities associated with the early achievers program.

(7)(a) The department must create a single source of information for parents and caregivers to access details on a provider's early achievers program rating level, licensing history, and other indicators of quality and safety that will help parents and caregivers make informed choices. The licensing history that the department must provide for parents and caregivers pursuant to this subsection shall only include license suspension, surrender, revocation, denial, stayed suspension, or reinstatement. No unfounded child abuse or neglect reports may be provided to parents and caregivers pursuant to this subsection.

(b) The department shall publish to the department's web site, or offer a link on its web site to, the following information:

(i) ~~((By November 1, 2015,))~~ Early achievers program rating levels 1 through 5 for all child care programs that receive state subsidy, early childhood education and assistance programs, and federal head start programs in Washington; and

(ii) New early achievers program ratings within thirty days after a program becomes licensed or certified, or receives a rating.

(c) The early achievers program rating levels shall be published in a manner that is easily accessible to parents and caregivers and takes into account the linguistic needs of parents and caregivers.

(d) The department must publish early achievers program rating levels for child care programs that do not receive state subsidy but have voluntarily joined the early achievers program.

(e) Early achievers program participants who have published rating levels on the department's web site or on a link on the department's web site may include a brief description of their program, contingent upon the review and approval by the department, as determined by established marketing standards.

(8)(a) The department shall create a professional development pathway for early achievers program participants to obtain a high school diploma or equivalency or higher education credential in early childhood education, early childhood studies, child development, or an academic field related to early care and education.

(b) The professional development pathway must include opportunities for scholarships and grants to assist early achievers program participants with the costs associated with obtaining an educational degree.

(c) The department shall address cultural and linguistic diversity when developing the professional development pathway.

(9) The early achievers quality improvement awards shall be reserved for participants offering programs to an enrollment population consisting of at least five percent of children receiving a state subsidy.

(10) In collaboration with tribal governments, community and statewide partners, and the early achievers review subcommittee created in RCW 43.216.075, the department shall develop a protocol for granting early achievers program participants an extension in meeting rating level requirement timelines outlined for the working connections child care program and the early childhood education and assistance program.

(a) The department may grant extensions only under exceptional circumstances, such as when early achievers program participants experience an unexpected life circumstance.

(b) Extensions shall not exceed six months, and early achievers program participants are only eligible for one extension in meeting rating level requirement timelines.

(c) Extensions may only be granted to early achievers program participants who have demonstrated engagement in the early achievers program.

(11)(a) The department shall accept national accreditation that meets the requirements of this subsection (11) as a qualification for the early achievers program ratings.

(b) Each national accreditation agency will be allowed to submit its most current standards of accreditation to establish potential credit earned in the early achievers program. The department shall grant credit to accreditation bodies that can demonstrate that their standards meet or exceed the current early achievers program standards. By December 1, 2019, and subject to the availability of amounts appropriated for this specific purpose, the department must submit a detailed plan to the governor and the legislature to implement a robust cross-accreditation process with multiple pathways that allows a provider to earn equivalent early achievers credit resulting from accreditation by high quality national organizations.

(c) Licensed child care centers and child care home providers must meet national accreditation standards approved by the department for the early

achievers program in order to be granted credit for the early achievers program standards. Eligibility for the early achievers program is not subject to bargaining, mediation, or interest arbitration under RCW 41.56.028, consistent with the legislative reservation of rights under RCW 41.56.028(4)(d).

(12) The department shall explore the use of alternative quality assessment tools that meet the culturally specific needs of the federally recognized tribes in the state of Washington.

(13) A child care or early learning program that is operated by a federally recognized tribe and receives state funds shall participate in the early achievers program. The tribe may choose to participate through an interlocal agreement between the tribe and the department. The interlocal agreement must reflect the government-to-government relationship between the state and the tribe, including recognition of tribal sovereignty. The interlocal agreement must provide that:

(a) Tribal child care facilities and early learning programs may volunteer, but are not required, to be licensed by the department;

(b) Tribal child care facilities and early learning programs are not required to have their early achievers program rating level published to the department's web site or through a link on the department's web site; and

(c) Tribal child care facilities and early learning programs must provide notification to parents or guardians who apply for or have been admitted into their program that early achievers program rating level information is available and provide the parents or guardians with the program's early achievers program rating level upon request.

(14) The department shall consult with the early achievers review subcommittee on all substantial policy changes to the early achievers program.

(15) Nothing in this section changes the department's responsibility to collectively bargain over mandatory subjects or limits the legislature's authority to make programmatic modifications to licensed child care and early learning programs under RCW 41.56.028(4)(d).

Sec. 3. RCW 43.216.515 and 2015 3rd sp.s. c 7 s 9 are each amended to read as follows:

(1) Approved early childhood education and assistance programs shall receive state-funded support through the department. Public or private organizations(=) including, but not limited to, school districts, educational service districts, community and technical colleges, local governments, or nonprofit organizations, are eligible to participate as providers of the state early childhood education and assistance program.

(2) Funds obtained by providers through voluntary grants or contributions from individuals, agencies, corporations, or organizations may be used to expand or enhance preschool programs so long as program standards established by the department are maintained.

(3) Persons applying to conduct the early childhood education and assistance program shall identify targeted groups and the number of children to be served, program components, the qualifications of instructional and special staff, the source and amount of grants or contributions from sources other than state funds, facilities and equipment support, and transportation and personal care arrangements.

(4) (~~Existing early childhood education and assistance program providers must complete the following requirements to be eligible to receive state-funded support under the early childhood education and assistance program:~~

(a) ~~Enroll in the early achievers program by October 1, 2015;~~

(b) ~~Rate at a level 4 or 5 in the early achievers program by March 1, 2016. If an early childhood education and assistance program provider rates below a level 4 by March 1, 2016, the provider must complete remedial activities with the department, and rate at a level 4 or 5 within six months of beginning remedial activities.~~

(5) ~~Effective October 1, 2015,)~~ A new early childhood education and assistance program provider must complete the requirements in this subsection (~~((5))~~) to be eligible to receive state-funded support under the early childhood education and assistance program:

(a) Enroll in the early achievers program within thirty days of the start date of the early childhood education and assistance program contract;

(b)(i) Except as provided in (b)(ii) of this subsection, rate at a level 4 or 5 in the early achievers program within (~~(twelve))~~ twenty-four months of enrollment. If an early childhood education and assistance program provider rates below a level 4 within (~~(twelve))~~ twenty-four months of enrollment, the provider must complete remedial activities with the department, and rate at a level 4 or 5 within six months of beginning remedial activities.

(ii) Licensed or certified child care centers and homes that administer an early childhood education and assistance program shall rate at a level 4 or 5 in the early achievers program within (~~(eighteen))~~ twenty-four months of the start date of the early childhood education and assistance program contract. If an early childhood education and assistance program provider rates below a level 4 within (~~(eighteen))~~ twenty-four months, the provider must complete remedial activities with the department, and rate at a level 4 or 5 within six months of beginning remedial activities.

(~~((6))~~) (5)(a) If an early childhood education and assistance program provider has successfully completed all of the required early achievers program activities and is waiting to be rated by the deadline provided in this section, the provider may continue to participate in the early achievers program as an approved early childhood education and assistance program provider and receive state subsidy pending the successful completion of a level 4 or 5 rating.

(b) To avoid disruption, the department may allow for early childhood education and assistance program providers who have rated below a level 4 after completion of the six-month remedial period to continue to provide services until the current school year is finished.

(6)(a) When an early childhood education and assistance program in good standing changes classroom locations to a comparable or improved space within the same facility, a rerating is not required outside of the regular rerating and renewal cycle.

(b) When an early childhood education and assistance program in good standing moves to a new facility, the provider must notify the department of the move within six months of changing locations in order to retain their existing rating. The early achievers program must conduct an observational visit to ensure the new classroom space is of comparable or improved environmental quality. If a provider fails to notify the department within six months of a move,

the early achievers rating must be changed from the posted rated level to "Participating, Not Yet Rated" and the provider will cease to receive tiered reimbursement incentives until a new rating is completed.

(7) The department shall collect data periodically to determine the demand for full-day programming for early childhood education and assistance program providers. The department shall analyze this demand by geographic region and shall include the findings in the annual report required under RCW ((43.215.102)) 43.216.089.

(8) ((By December 1, 2015,)) The department shall develop ((a)) multiple pathways for licensed or certified child care centers and homes to administer an early childhood education and assistance program. The pathways shall include an accommodation for these providers to rate at a level 4 or 5 in the early achievers program according to the timelines and standards established in subsection (((5)) (4)(b)(ii) of this section. The department must consider using the intermediate level that is between level 3 and level 4 as described in RCW 43.216.085, incentives, and front-end funding in order to encourage providers to participate in the pathway.

Sec. 4. RCW 43.216.135 and 2018 c 52 s 6 are each amended to read as follows:

(1) The department shall establish and implement policies in the working connections child care program to promote stability and quality of care for children from low-income households. These policies shall focus on supporting school readiness for young learners. Policies for the expenditure of funds constituting the working connections child care program must be consistent with the outcome measures established by the department and the standards established in this section intended to promote stability, quality, and continuity of early care and education programming.

(2) As recommended by Public Law 113-186, authorizations for the working connections child care subsidy shall be effective for twelve months beginning July 1, 2016, unless an earlier date is provided in the omnibus appropriations act.

(3) Existing child care providers serving nonschool-age children and receiving state subsidy payments must complete the following requirements to be eligible for a state subsidy under this section:

(a) Enroll in the early achievers program by August 1, 2016;

(b) Complete level 2 activities in the early achievers program by August 1, 2017; and

(c) Rate or request to be rated at a level 3 or higher in the early achievers program by December 31, 2019. If a child care provider ((rates below)) does not rate at or request to be rated at a level 3 by December 31, 2019, the provider is no longer eligible to receive state subsidy. If the provider rates below a level 3 when the rating is released, the provider must complete remedial activities with the department, and ((rate at)) must rate at or request to be rated at a level 3 or higher no later than ((June)) December 30, 2020.

(4) ((Effective July 1, 2016,)) A new child care provider serving nonschool-age children and receiving state subsidy payments must complete the following activities to be eligible to receive a state subsidy under this section:

(a) Enroll in the early achievers program within thirty days of receiving the initial state subsidy payment;

(b) Complete level 2 activities in the early achievers program within twelve months of enrollment; and

(c) Rate or request to be rated at a level 3 or higher in the early achievers program within thirty months of enrollment. If a child care provider (~~rates below~~) does not rate or request to be rated at a level 3 within thirty months from enrollment into the early achievers program, the provider is no longer eligible to receive state subsidy. If the provider rates below a level 3 when the rating is released, the provider must complete remedial activities with the department, and rate or request to be rated at a level 3 or higher within (~~six~~) twelve months of beginning remedial activities.

(5) If a child care provider does not rate or request to be rated at a level 3 or higher following the remedial period, the provider is no longer eligible to receive state subsidy under this section. If a child care provider does not rate at a level 3 or higher when the rating is released following the remedial period, the provider is no longer eligible to receive state subsidy under this section.

(6) If a child care provider serving nonschool-age children and receiving state subsidy payments has successfully completed all level 2 activities and is waiting to be rated by the deadline provided in this section, the provider may continue to receive a state subsidy pending the successful completion of the level 3 rating activity.

(7) The department shall implement tiered reimbursement for early achievers program participants in the working connections child care program rating at level 3, 4, or 5.

(8) The department shall account for a child care copayment collected by the provider from the family for each contracted slot and establish the copayment fee by rule.

(9)(a) The department shall establish and implement policies in the working connections child care program to allow eligibility for families with children who:

(i) In the last six months have:

(A) Received child protective services as defined and used by chapters 26.44 and 74.13 RCW;

(B) Received child welfare services as defined and used by chapter 74.13 RCW; or

(C) Received services through a family assessment response as defined and used by chapter 26.44 RCW;

(ii) Have been referred for child care as part of the family's case management as defined by RCW 74.13.020; and

(iii) Are residing with a biological parent or guardian.

(b) Children who are eligible for working connections child care pursuant to this subsection do not have to keep receiving services identified in this subsection to maintain twelve-month authorization. The department of social and health services' involvement with the family referred for working connections child care ends when the family's child protective services, child welfare services, or family assessment response case is closed.

Sec. 5. RCW 43.216.087 and 2015 3rd sp.s. c 7 s 5 are each amended to read as follows:

(1)(a) The department shall, in collaboration with tribal governments and community and statewide partners, implement a protocol to maximize and

encourage participation in the early achievers program for culturally diverse and low-income center and family home child care providers. Amounts appropriated for the encouragement of culturally diverse and low-income center and family home child care provider participation shall be appropriated separately from the other funds appropriated for the department, are the only funds that may be used for the protocol, and may not be used for any other purposes. Funds appropriated for the protocol shall be considered an ongoing program for purposes of future departmental budget requests.

(b) ~~((During the first thirty months of implementation of the early achievers program))~~ The department shall prioritize the resources authorized in this section to assist providers ~~((rating at a level 2))~~ in the early achievers program to help them reach a ~~((level 3))~~ rating of level 3 or higher wherever access to subsidized care is at risk.

(2) The protocol should address barriers to early achievers program participation and include at a minimum the following:

(a) The creation of a substitute pool;

(b) The development of needs-based grants for providers ~~((at level 2))~~ in the early achievers program ~~((to assist with))~~ who demonstrate a need for assistance to improve program quality. Needs-based grants may be used for environmental improvements of early learning facilities; purchasing curriculum development, instructional materials, supplies, and equipment ((to improve program quality)); and focused infant-toddler improvements. Priority for the needs-based grants shall be given to culturally diverse and low-income providers;

(c) The development of materials and assessments in a timely manner, and to the extent feasible, in the provider and family home languages; and

(d) The development of flexibility in technical assistance and coaching structures to provide differentiated types and amounts of support to providers based on individual need and cultural context.

NEW SECTION. Sec. 6. (1) Subject to the availability of amounts appropriated for this specific purpose, the department of children, youth, and families must deliver a progress report to the governor and the legislature by July 1, 2020, and a final report by July 1, 2021, that includes:

(a) An analysis of consumer income and copay requirements in the working connections child care program and recommendations for mitigating the "cliff effect" for child care subsidy consumers. Recommendations must consider:

(i) How to further develop and implement a sliding scale or tiered reimbursement and phase-out model that works for both consumers and providers and provides incentives for quality child care across communities;

(ii) Whether or not increasing or decreasing the eligibility threshold for working connections child care would allow parents to grow professionally without losing affordable child care;

(iii) Whether further graduation of the copay scale would help alleviate the cliff that occurs at subsidy cutoff; and

(iv) Capping family child care expenses at seven percent of a family's income;

(b) Recommendations related to differential slot rates for the early childhood education and assistance program based on variable factors that may contribute to costs for providers when working to achieve positive child outcomes. When developing the recommendations, the department must:

(i) Consider, at a minimum, variations by geographic region, contractor type, child risk factors, and teacher credentials;

(ii) Evaluate advantages and disadvantages of linking early childhood education and assistance program rates and other child care subsidy rates; and

(iii) Review the department-designated subsidy regions and adjust regional boundaries as necessary to reflect regional economic conditions; and

(c) A plan for blending child care development funds and early childhood education and assistance program funds to provide extended day slots in the early childhood education and assistance program. The plan must include consideration of administrative efficiencies gained resulting from fully transferring the working connections child care program into the department.

(2) This section expires January 1, 2020.

Sec. 7. RCW 43.216.655 and 2015 3rd sp.s. c 7 s 13 are each amended to read as follows:

(1) The education data center established in RCW 43.41.400 must collect longitudinal, student-level data on all children attending an early childhood education and assistance program. Upon completion of an electronic time and attendance record system, the education data center must collect longitudinal, student-level data on all children attending a working connections child care program. Data collected should capture at a minimum the following characteristics:

(a) Daily program attendance;

(b) Identification of classroom and teacher;

(c) Early achievers program quality level rating;

(d) Program hours;

(e) Program duration;

(f) Developmental results from the Washington kindergarten inventory of developing skills in RCW 28A.655.080; and

(g) To the extent data is available, the distinct ethnic categories within racial subgroups of children and providers that align with categories recognized by the education data center.

(2) The department shall provide early learning providers student-level data collected pursuant to this section that are specific to the early learning provider's program. Upon completion of an electronic time and attendance record system identified in subsection (1) of this section, the department shall provide child care providers student-level data that are specific to the child care provider's program.

(3)~~((+))~~ The department shall review available research and best practices literature on cultural competency in early learning settings. The department shall review the K-12 components for cultural competency developed by the professional educator standards board and identify components appropriate for early learning professional development.

~~((b) By July 31, 2016, the department shall provide recommendations to the appropriate committees of the legislature and the early learning advisory council on research-based cultural competency standards for early learning professional training.)~~

(4)(a) The Washington state institute for public policy shall conduct a longitudinal analysis examining relationships between the early achievers

program quality ratings levels and outcomes for children participating in subsidized early care and education programs.

(b) The institute shall submit the first report to the appropriate committees of the legislature and the early learning advisory council by December 31, 2019. The institute shall submit subsequent reports annually to the appropriate committees of the legislature and the early learning advisory council by December 31st, with the final report due December 31, 2022. The final report shall include a cost-benefit analysis.

~~(5)((a) By December 1, 2015, the department shall provide recommendations to the appropriate committees of the legislature on child attendance policies pertaining to the working connections child care program and the early childhood education and assistance program. The recommendations shall include the following:~~

- ~~(i) Allowable periods of child absences;~~
- ~~(ii) Required contact with parents or caregivers to discuss child absences and encourage regular program attendance; and~~
- ~~(iii) A de-enrollment procedure when allowable child absences are exceeded.~~

~~(b) The department shall develop recommendations on child absences and attendance within the department's appropriations.)~~ By December 31, 2021, and subject to the availability of amounts appropriated for this specific purpose, the Washington state institute for public policy shall update the outcome evaluation of the early childhood education and assistance program required by chapter 16, Laws of 2013 and report to the governor and the legislature on the outcomes of program participants. The evaluation must include the demographics of program participants including race, ethnicity, and socioeconomic status. The evaluation must examine short and long-term impacts on program participants, including high school graduation rates for up to two cohorts. When conducting the evaluation, the institute must consider, to the extent that data is available, the education levels and demographics, including race, ethnicity, and socioeconomic status, of early childhood education and assistance program staff and the effects of full-day programming and half-day programming on outcomes.

NEW SECTION. Sec. 8. A new section is added to chapter 43.216 RCW to read as follows:

The department must adopt administrative policies in the early achievers program, within the department's appropriations, to:

- (1) Consider child care provider schedules and needs and allow flexibility when scheduling data collection and rating visits at a facility;
- (2) Prioritize reratings for providers rated at a level 2;
- (3) Prioritize reratings for providers rated at a level 3 who are seeking to become early childhood education and assistance program providers; and
- (4) Provide continuous and robust post-rating feedback to providers.

NEW SECTION. Sec. 9. A new section is added to chapter 43.216 RCW to read as follows:

Subject to the availability of amounts appropriated for this specific purpose, the department must adopt administrative policies in the early achievers program to:

(1) Eliminate rating scale barriers, to the extent possible, within the assessment tools and data collection methodologies used in the early achievers program and weight early achievers points to incentivize providers to serve infants and toddlers;

(2) Remove barriers to timely approvals for one-on-one behavioral support assistants when requested by a provider; and

(3) Require trauma-informed care training for raters and coaches.

NEW SECTION. Sec. 10. (1) By December 1, 2019, and subject to the availability of amounts appropriated for this specific purpose, the department of children, youth, and families must submit to the governor and the legislature a plan to pay providers an enhanced rate, award additional early achievers points, and create a corresponding trauma-informed care designation for providers serving behaviorally challenged children.

(2) This section expires December 30, 2019.

NEW SECTION. Sec. 11. (1) By December 1, 2019, and within the department of children, youth, and families' appropriations, the department of children, youth, and families must evaluate options and propose recommendations to the governor and legislature related to paying child care subsidy providers a set monthly rate rather than a daily rate.

(2) This section expires December 30, 2019.

***NEW SECTION. Sec. 12.** A new section is added to chapter 43.216 RCW to read as follows:

(1) The cost of child care regulations work group is established to study: (a) The financial impacts of department licensing regulations on child care businesses and benefits of these regulations; (b) direct and indirect financial costs to child care providers that are associated with participation in the early achievers quality rating system; and (c) benefits to providers associated with participation in the early achievers quality rating system. The work group must review available health, safety, and education outcome data for children and families engaged in early achievers programs when analyzing the costs and benefits associated with provider participation in the early achievers quality rating system. The work group must include an analysis of costs associated with licensing and early achievers requirements that may have a disproportionate economic impact on child care businesses located in rural areas of the state.

(2)(a) The secretary of the department or his or her designee shall convene the first meeting of the work group by August 1, 2019. The work group must meet at least six times between August 1, 2019, and January 31, 2020, and must convene at least two meetings of those meetings in locations east of the crest of the Cascade mountains.

(b) The work group must consist of the following twelve voting members:

(i) Three licensed family home child care providers selected by a statewide organization representing the interests of family child care providers. At least one family home child care provider must provide child care for children of agricultural workers, speak Spanish as a first language, or be located east of the crest of the Cascade mountains;

(ii) Three licensed child care center providers selected by a statewide organization representing the interests of licensed child care centers. At least

one child care center provider must provide child care for children of agricultural workers, speak Spanish as a first language, or be located east of the crest of the Cascade mountains;

(iii) Two foster parents selected by a statewide organization solely focused on supporting foster parents. At least one foster parent must reside east of the crest of the Cascade mountains; and

(iv) Four legislators, consisting of two members of the house of representatives and two members of the senate. The speaker of the house of representatives shall appoint one member to the work group from each of the two largest caucuses in the house of representatives. The president of the senate shall appoint one member to the work group from each of the two largest caucuses in the senate.

(3) The work group shall elect its cochairs, one from among the legislative members and one from among the citizen members.

(4) The work group may seek input or collaborate with other parties as it deems necessary. The work group may contract with additional persons who have specific technical expertise if such expertise is necessary to carry out the mandates of the study. The work group may enter into such a contract only if an appropriation is specifically provided for this purpose.

(5) Legislative members of the work group are reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members must be reimbursed for travel expenses according to chapter 43.03 RCW.

(6) Staff support for the work group shall be provided by the department.

(7) By May 31, 2020, the work group must submit its findings and recommendations to the governor and the appropriate committees of the legislature.

(8) This section expires July 1, 2020.

**Sec. 12 was vetoed. See message at end of chapter.*

Sec. 13. RCW 43.216.089 and 2015 3rd sp.s. c 7 s 18 are each amended to read as follows:

(1) Beginning December 15, 2015, and each December 15th thereafter, the department, in collaboration with the statewide child care resource and referral organization, and the early achievers review subcommittee of the early learning advisory council, shall submit, in compliance with RCW 43.01.036, a progress report to the governor and the legislature regarding providers' progress in the early achievers program. Each progress report must include the following elements:

(a) The number, and relative percentage, of family child care and center providers who have enrolled in the early achievers program and who have:

(i) Completed the level 2 activities;

(ii) Completed rating readiness consultation and are waiting to be rated;

(iii) Achieved the required rating level to remain eligible for state-funded support under the early childhood education and assistance program or a subsidy under the working connections child care program;

(iv) Not achieved the required rating level initially but qualified for and are working through intensive targeted support in preparation for a partial rerate outside the standard rating cycle;

(v) Not achieved the required rating level initially and engaged in remedial activities before successfully achieving the required rating level;

(vi) Not achieved the required rating level after completing remedial activities; or

(vii) Received an extension from the department based on exceptional circumstances pursuant to RCW (~~(43.215.100)~~) 43.216.085;

(b) A review of the services available to providers and children from diverse cultural backgrounds;

(c) An examination of the effectiveness of efforts to increase successful participation by providers serving children and families from diverse cultural and linguistic backgrounds and providers who serve children from low-income households;

(d) A description of the primary obstacles and challenges faced by providers who have not achieved the required rating level to remain eligible to receive:

(i) A subsidy under the working connections child care program; or

(ii) State-funded support under the early childhood education and assistance program;

(e) A summary of the types of exceptional circumstances for which the department has granted an extension pursuant to RCW (~~(43.215.100)~~) 43.216.085;

(f) The average amount of time required for providers to achieve local level milestones within each level of the early achievers program;

(g) To the extent data is available, an analysis of the distribution of early achievers program-rated facilities in relation to child and provider demographics, including but not limited to race and ethnicity, home language, and geographical location;

(h) Recommendations for improving access for children from diverse cultural backgrounds to providers rated at a level 3 or higher in the early achievers program;

(i) Recommendations for improving the early achievers program standards;

(j) An analysis of any impact from quality strengthening efforts on the availability and quality of infant and toddler care;

(k) The number of contracted slots that use both early childhood education and assistance program funding and working connections child care program funding; and

(l) A description of the early childhood education and assistance program implementation to include the following:

(i) Progress on early childhood education and assistance program implementation as required pursuant to RCW (~~(43.215.415, 43.215.425, and 43.215.455)~~) 43.216.515, 43.216.525, and 43.216.555;

(ii) An examination of the regional distribution of new preschool programming by zip code;

(iii) An analysis of the impact of preschool expansion on low-income neighborhoods and communities;

(iv) Recommendations to address any identified barriers to access to quality preschool for children living in low-income neighborhoods;

(v) An analysis of any impact of extended day early care and education opportunities directives;

(vi) An examination of any identified barriers for providers to offer extended day early care and education opportunities;

(vii) An analysis of the demand for full-day programming for early childhood education and assistance program providers required under RCW ((43.215.415)) 43.216.515; and

(viii) To the extent data is available, an analysis of the cultural diversity of early childhood education and assistance program providers and participants.

(2) The first annual report due under subsection (1) of this section also shall include a description of the early achievers program extension protocol required under RCW ((43.215.100)) 43.216.085.

(3) The elements required to be reported under subsection (1)(a) of this section must be reported at the county level, and for those counties with a population of five hundred thousand and higher, the data must be reported at the zip code level.

(4) If, based on information in an annual report submitted in 2018 or later under this section, fifteen percent or more of the licensed or contracted providers who are participating in the early achievers program in a county or in a single zip code have not achieved the rating levels under RCW ((43.215.135)) 43.216.135 and ((43.215.415)) 43.216.515, the department must:

(a) Analyze the reasons providers in the affected counties or zip codes have not attained the required rating levels; and

(b) Develop a plan to mitigate the effect on the children and families served by these providers. The plan must be submitted to the legislature as part of the annual progress report along with any recommendations for legislative action to address the needs of the providers and the children and families they serve.

Sec. 14. RCW 43.216.100 and 2016 c 72 s 701 are each amended to read as follows:

The department, in collaboration with the office of the superintendent of public instruction, shall create a community information and involvement plan to inform home-based, tribal, and family early learning providers of the early achievers program under RCW ((43.215.100)) 43.216.085.

NEW SECTION. Sec. 15. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2019, in the omnibus appropriations act, this act is null and void.

Passed by the House April 18, 2019.

Passed by the Senate April 13, 2019.

Approved by the Governor May 13, 2019, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 16, 2019.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Section 12, Engrossed Second Substitute House Bill No. 1391 entitled:

"AN ACT Relating to implementing improvements to the early achievers program as reviewed and recommended by the joint select committee on the early achievers program."

The purpose of Section 12, which directs the Department of Children, Youth and Families (DCYF) to create a workgroup to study the cost of child care regulations, overlaps with the work of the Child Care Collaborative Task Force in HB 1344. In order to streamline efforts and also avoid duplicative efforts, I am directing the Department of Commerce and DCYF to ensure that purpose of Section 12 is incorporated into the work of the HB 1344 Task Force.

For these reasons I have vetoed Section 12 of Engrossed Second Substitute House Bill No. 1391.

With the exception of Section 12, Engrossed Second Substitute House Bill No. 1391 is approved."

CHAPTER 370

[Engrossed Substitute House Bill 1557]

LIQUOR LICENSING PROCESS--LICENSE ISSUANCE--VARIOUS PROVISIONS

AN ACT Relating to updating the liquor licensing process for annual licenses to address issues typically occurring between the time an applicant submits an application through the first renewal; amending RCW 66.24.010; and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 66.24.010 and 2012 c 39 s 4 are each amended to read as follows:

(1) Every license must be issued in the name of the applicant, and the holder thereof may not allow any other person to use the license.

(2) For the purpose of considering any application for a license, or the renewal of a license, the board may cause an inspection of the premises to be made, and may inquire into all matters in connection with the construction and operation of the premises. For the purpose of reviewing any application for a license and for considering the denial, suspension, revocation, or renewal or denial thereof, of any license, the (~~(Liquor control)~~) board may consider any prior criminal conduct of the applicant including an administrative violation history record with the board and a criminal history record information check. The board may submit the criminal history record information check to the Washington state patrol and to the identification division of the federal bureau of investigation in order that these agencies may search their records for prior arrests and convictions of the individual or individuals who filled out the forms. The board must require fingerprinting of any applicant whose criminal history record information check is submitted to the federal bureau of investigation. The provisions of RCW 9.95.240 and of chapter 9.96A RCW do not apply to such cases. Subject to the provisions of this section, the board may, in its discretion, grant or deny the renewal or license applied for. Denial may be based on, without limitation, the existence of chronic illegal activity documented in objections submitted pursuant to subsections (8)(d) and (12) of this section. Authority to approve an uncontested or unopposed license may be granted by the board to any staff member the board designates in writing. Conditions for granting such authority must be adopted by rule. No retail license of any kind may be issued to:

(a) A person doing business as a sole proprietor who has not resided in the state for at least one month prior to receiving a license, except in cases of licenses issued to dining places on railroads, boats, or aircraft;

(b) A copartnership, unless all of the members thereof are qualified to obtain a license, as provided in this section;

(c) A person whose place of business is conducted by a manager or agent, unless such manager or agent possesses the same qualifications required of the licensee;

(d) A corporation or a limited liability company, unless it was created under the laws of the state of Washington or holds a certificate of authority to transact business in the state of Washington.

(3)(a) The board may, in its discretion, subject to the provisions of RCW 66.08.150, suspend or cancel any license; and all rights of the licensee to keep or sell liquor thereunder must be suspended or terminated, as the case may be.

(b) The board must immediately suspend the license or certificate of a person who has been certified pursuant to RCW 74.20A.320 by the department of social and health services as a person who is not in compliance with a support order. If the person has continued to meet all other requirements for reinstatement during the suspension, reissuance of the license or certificate is automatic upon the board's receipt of a release issued by the department of social and health services stating that the licensee is in compliance with the order.

(c) Upon written notification by the department of revenue in accordance with RCW 82.08.155 that a person is more than thirty days delinquent in reporting or remitting spirits taxes to the department, the board must suspend all spirits licenses held by that person. The board must also refuse to renew any existing spirits license of, or issue any new spirits license to, the person or any other applicant controlled directly or indirectly by that person. The board may not reinstate a person's spirits license or renew or issue a new spirits license to that person, or an applicant controlled directly or indirectly by that person, until such time as the department of revenue notifies the board that the person is current in reporting and remitting spirits taxes or that the department consents to the reinstatement or renewal of the person's spirits license or the issuance of a new spirits license to the person. For purposes of this section: (i) "Spirits license" means any license issued by the board under the authority of this chapter that authorizes the licensee to sell spirits; and (ii) "spirits taxes" has the same meaning as in RCW 82.08.155.

(d) The board may request the appointment of administrative law judges under chapter 34.12 RCW who must have power to administer oaths, issue subpoenas for the attendance of witnesses and the production of papers, books, accounts, documents, and testimony, examine witnesses, and to receive testimony in any inquiry, investigation, hearing, or proceeding in any part of the state, under such rules and regulations as the board may adopt.

(e) Witnesses are allowed fees and mileage each way to and from any such inquiry, investigation, hearing, or proceeding at the rate authorized by RCW 34.05.446. Fees need not be paid in advance of appearance of witnesses to testify or to produce books, records, or other legal evidence.

(f) In case of disobedience of any person to comply with the order of the board or a subpoena issued by the board, or any of its members, or administrative law judges, or on the refusal of a witness to testify to any matter regarding which he or she may be lawfully interrogated, the judge of the superior court of the county in which the person resides, on application of any member of the board or administrative law judge, must compel obedience by contempt proceedings, as in the case of disobedience of the requirements of a subpoena issued from said court or a refusal to testify therein.

(4) Upon receipt of notice of the suspension or cancellation of a license, the licensee must forthwith deliver up the license to the board. Where the license has been suspended only, the board must return the license to the licensee at the

expiration or termination of the period of suspension. The board must notify all vendors in the city or place where the licensee has its premises of the suspension or cancellation of the license; and no employee may allow or cause any liquor to be delivered to or for any person at the premises of that licensee.

(5)(a) ~~((At the time of))~~ For the original issuance of a ((spirits, beer, and wine restaurant)) liquor license, including the approval of a conditional license as provided in (b) of this subsection, the board must ((prorate the license fee charged to the new licensee according to the number of calendar quarters, or portion thereof, remaining until the first renewal of that license is required.

~~(b) Unless sooner canceled, every license issued by the board must expire at midnight of the thirtieth day of June of the fiscal year for which it was issued. However, if the board deems it feasible and desirable to do so, it may establish, by rule pursuant to chapter 34.05 RCW, a system for staggering the annual renewal dates for any and all licenses authorized by this chapter. If such a system of staggered annual renewal dates is established by the board, the license fees provided by this chapter must be appropriately prorated during the first year that the system is in effect.))~~ set the expiration date of the license to the last day of the calendar month that is twelve months from the calendar month in which final approval of the license is granted. Upon renewal, the expiration date of the license, including licenses approved under (b) of this subsection, may subsequently be prorated as necessary in accordance with chapter 19.02 RCW.

(b)(i) When an applicant for a liquor license is qualified for approval of the license in every way except having executed a lease or purchase agreement for the proposed licensed premises, the board must grant conditional approval to the applicant.

(ii) Upon notification to the board of execution of the lease or purchase agreement putting the applicant in control of the premises, the board must immediately grant final approval of the license issuance, and the licensee may immediately begin exercising all privileges provided under the license, except as otherwise provided under this title.

(iii) For the purposes of this title, the term "license" includes "conditional license."

(6) Every license issued under this section is subject to all conditions and restrictions imposed by this title or by rules adopted by the board. All conditions and restrictions imposed by the board in the issuance of an individual license may be listed on the face of the individual license along with the trade name, address, and expiration date. Conditions and restrictions imposed by the board may also be included in official correspondence separate from the license. All spirits licenses are subject to the condition that the spirits license holder must report and remit to the department of revenue all spirits taxes by the date due.

(7) Every licensee must post and keep posted its license, or licenses, and any additional correspondence containing conditions and restrictions imposed by the board in a conspicuous place on the premises.

(8)(a) Unless (b) of this subsection applies, before the board issues a new or renewal license to an applicant it must give notice of such application to the chief executive officer of the incorporated city or town, if the application is for a license within an incorporated city or town, or to the county legislative authority, if the application is for a license outside the boundaries of incorporated cities or towns.

(b) If the application for a special occasion license is for an event held during a county, district, or area fair as defined by RCW 15.76.120, and the county, district, or area fair is located on property owned by the county but located within an incorporated city or town, the county legislative authority must be the entity notified by the board under (a) of this subsection. The board must send a duplicate notice to the incorporated city or town within which the fair is located.

(c) The incorporated city or town through the official or employee selected by it, or the county legislative authority or the official or employee selected by it, has the right to file with the board within twenty days after the date of transmittal of such notice for applications, or at least thirty days prior to the expiration date for renewals, written objections against the applicant or against the premises for which the new or renewal license is asked. The board may extend the time period for submitting written objections.

(d) The written objections must include a statement of all facts upon which such objections are based, and in case written objections are filed, the city or town or county legislative authority may request and the ~~((liquor control))~~ board may in its discretion hold a hearing subject to the applicable provisions of Title 34 RCW. If the board makes an initial decision to deny a license or renewal based on the written objections of an incorporated city or town or county legislative authority, the applicant may request a hearing subject to the applicable provisions of Title 34 RCW. If such a hearing is held at the request of the applicant, ~~((liquor control))~~ board representatives must present and defend the board's initial decision to deny a license or renewal.

(e) Upon the granting of a license under this title the board must send written notification to the chief executive officer of the incorporated city or town in which the license is granted, or to the county legislative authority if the license is granted outside the boundaries of incorporated cities or towns. When the license is for a special occasion license for an event held during a county, district, or area fair as defined by RCW 15.76.120, and the county, district, or area fair is located on county-owned property but located within an incorporated city or town, the written notification must be sent to both the incorporated city or town and the county legislative authority.

(9)(a) Before the board issues any license to any applicant, it shall give (i) due consideration to the location of the business to be conducted under such license with respect to the proximity of churches, schools, and public institutions and (ii) written notice, with receipt verification, of the application to public institutions identified by the board as appropriate to receive such notice, churches, and schools within five hundred feet of the premises to be licensed. The board may not issue a liquor license for either on-premises or off-premises consumption covering any premises not now licensed, if such premises are within five hundred feet of the premises of any tax-supported public elementary or secondary school measured along the most direct route over or across established public walks, streets, or other public passageway from the main entrance of the school to the nearest public entrance of the premises proposed for license, and if, after receipt by the school of the notice as provided in this subsection, the board receives written objection, within twenty days after receiving such notice, from an official representative or representatives of the school within five hundred feet of said proposed licensed premises, indicating to

the board that there is an objection to the issuance of such license because of proximity to a school. The board may extend the time period for submitting objections. For the purpose of this section, "church" means a building erected for and used exclusively for religious worship and schooling or other activity in connection therewith. For the purpose of this section, "public institution" means institutions of higher education, parks, community centers, libraries, and transit centers.

(b) No liquor license may be issued or reissued by the board to any motor sports facility or licensee operating within the motor sports facility unless the motor sports facility enforces a program reasonably calculated to prevent alcohol or alcoholic beverages not purchased within the facility from entering the facility and such program is approved by local law enforcement agencies.

(c) It is the intent under this subsection (9) that a retail license may not be issued by the board where doing so would, in the judgment of the board, adversely affect a private school meeting the requirements for private schools under Title 28A RCW, which school is within five hundred feet of the proposed licensee. The board must fully consider and give substantial weight to objections filed by private schools. If a license is issued despite the proximity of a private school, the board must state in a letter addressed to the private school the board's reasons for issuing the license.

(10) The restrictions set forth in subsection (9) of this section do not prohibit the board from authorizing the assumption of existing licenses now located within the restricted area by other persons or licenses or relocations of existing licensed premises within the restricted area. In no case may the licensed premises be moved closer to a church or school than it was before the assumption or relocation.

(11)(a) Nothing in this section prohibits the board, in its discretion, from issuing a temporary retail or distributor license to an applicant to operate the retail or distributor premises during the period the application for the license is pending. The board may establish a fee for a temporary license by rule.

(b) A temporary license issued by the board under this section must be for a period not to exceed sixty days. A temporary license may be extended at the discretion of the board for additional periods of sixty days upon payment of an additional fee and upon compliance with all conditions required in this section.

(c) Refusal by the board to issue or extend a temporary license shall not entitle the applicant to request a hearing. A temporary license may be canceled or suspended summarily at any time if the board determines that good cause for cancellation or suspension exists. RCW 66.08.130 applies to temporary licenses.

(d) Application for a temporary license must be on such form as the board shall prescribe. If an application for a temporary license is withdrawn before issuance or is refused by the board, the fee which accompanied such application must be refunded in full.

(12) In determining whether to grant or deny a license or renewal of any license, the board must give substantial weight to objections from an incorporated city or town or county legislative authority based upon chronic illegal activity associated with the applicant's operations of the premises proposed to be licensed or the applicant's operation of any other licensed premises, or the conduct of the applicant's patrons inside or outside the licensed premises. "Chronic illegal activity" means (a) a pervasive pattern of activity that

threatens the public health, safety, and welfare of the city, town, or county including, but not limited to, open container violations, assaults, disturbances, disorderly conduct, or other criminal law violations, or as documented in crime statistics, police reports, emergency medical response data, calls for service, field data, or similar records of a law enforcement agency for the city, town, county, or any other municipal corporation or any state agency; or (b) an unreasonably high number of citations for violations of RCW 46.61.502 associated with the applicant's or licensee's operation of any licensed premises as indicated by the reported statements given to law enforcement upon arrest.

NEW SECTION. **Sec. 2.** This act takes effect January 1, 2020.

Passed by the House March 11, 2019.

Passed by the Senate April 15, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 371

[Substitute House Bill 1602]

CONSUMER DEBT JUDGMENTS

AN ACT Relating to consumer debt; and amending RCW 4.56.110, 6.01.060, 6.15.010, 6.27.100, 6.27.105, 6.27.140, and 6.27.150.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 4.56.110 and 2018 c 199 s 201 are each amended to read as follows:

Interest on judgments shall accrue as follows:

(1) Judgments founded on written contracts, providing for the payment of interest until paid at a specified rate, shall bear interest at the rate specified in the contracts: PROVIDED, That said interest rate is set forth in the judgment.

(2) All judgments for unpaid child support that have accrued under a superior court order or an order entered under the administrative procedure act shall bear interest at the rate of twelve percent.

(3)(a) Judgments founded on the tortious conduct of a "public agency" as defined in RCW 42.30.020 shall bear interest from the date of entry at two percentage points above the equivalent coupon issue yield, as published by the board of governors of the federal reserve system, of the average bill rate for twenty-six week treasury bills as determined at the first bill market auction conducted during the calendar month immediately preceding the date of entry. In any case where a court is directed on review to enter judgment on a verdict or in any case where a judgment entered on a verdict is wholly or partly affirmed on review, interest on the judgment or on that portion of the judgment affirmed shall date back to and shall accrue from the date the verdict was rendered.

(b) Except as provided in (a) of this subsection, judgments founded on the tortious conduct of individuals or other entities, whether acting in their personal or representative capacities, shall bear interest from the date of entry at two percentage points above the prime rate, as published by the board of governors of the federal reserve system on the first business day of the calendar month immediately preceding the date of entry. In any case where a court is directed on review to enter judgment on a verdict or in any case where a judgment entered

on a verdict is wholly or partly affirmed on review, interest on the judgment or on that portion of the judgment affirmed shall date back to and shall accrue from the date the verdict was rendered.

(4) Except as provided under subsection (1) of this section, judgments for unpaid private student loan debt, as defined in RCW 6.01.060, shall bear interest from the date of entry at two percentage points above the prime rate, as published by the board of governors of the federal reserve system on the first business day of the calendar month immediately preceding the date of entry.

(5) Except as provided under subsection (1) of this section, judgments for unpaid consumer debt, as defined in RCW 6.01.060, shall bear interest from the date of entry at a rate of nine percent.

(6) Except as provided under subsections (1)~~((2), (3), and (4))~~ through (5) of this section, judgments shall bear interest from the date of entry at the maximum rate permitted under RCW 19.52.020 on the date of entry thereof. In any case where a court is directed on review to enter judgment on a verdict or in any case where a judgment entered on a verdict is wholly or partly affirmed on review, interest on the judgment or on that portion of the judgment affirmed shall date back to and shall accrue from the date the verdict was rendered. The method for determining an interest rate prescribed by this subsection is also the method for determining the "rate applicable to civil judgments" for purposes of RCW 10.82.090.

Sec. 2. RCW 6.01.060 and 2018 c 199 s 202 are each amended to read as follows:

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

(1) "Certified mail" includes, for mailings to a foreign country, any form of mail that requires or permits a return receipt.

(2) "Consumer debt" means any obligation or alleged obligation of a consumer to pay money arising out of a transaction in which the money, property, insurance, or services which are the subject of the transaction are primarily for personal, family, or household purposes. Consumer debt includes medical debt.

(3) "Private student loan" means any loan not guaranteed by the federal or state government that is used solely for personal use to finance postsecondary education and costs of attendance at an educational institution. A private student loan includes a loan made solely to refinance a private student loan. A private student loan does not include an extension of credit made under an open-end consumer credit plan, a reverse mortgage transaction, a residential mortgage transaction, or any other loan that is secured by real property or a dwelling.

Sec. 3. RCW 6.15.010 and 2018 c 199 s 203 are each amended to read as follows:

(1) Except as provided in RCW 6.15.050, the following personal property is exempt from execution, attachment, and garnishment:

(a) All wearing apparel of every individual and family, but not to exceed three thousand five hundred dollars in value in furs, jewelry, and personal ornaments for any individual.

(b) All private libraries including electronic media, which includes audiovisual, entertainment, or reference media in digital or analogue format, of

every individual, but not to exceed three thousand five hundred dollars in value, and all family pictures and keepsakes.

(c) A cell phone, personal computer, and printer.

(d) To each individual or, as to community property of spouses maintaining a single household as against a creditor of the community, to the community:

(i) The individual's or community's household goods, appliances, furniture, and home and yard equipment, not to exceed six thousand five hundred dollars in value for the individual or thirteen thousand dollars for the community, no single item to exceed seven hundred fifty dollars, said amount to include provisions and fuel for the comfortable maintenance of the individual or community;

(ii) Other personal property, except personal earnings as provided under RCW 6.15.050(1), not to exceed three thousand dollars in value, of which not more than one thousand five hundred dollars in value may consist of cash, and of which not more than:

(A) For all debts except private student loan debt and consumer debt, five hundred dollars in value may consist of bank accounts, savings and loan accounts, stocks, bonds, or other securities. The maximum exemption under this subsection (1)(d)(ii)(A) may not exceed five hundred dollars, regardless of the number of existing separate bank accounts, savings and loan accounts, stocks, bonds, or other securities.

(B) For all private student loan debt, two thousand five hundred dollars in value may consist of bank accounts, savings and loan accounts, stocks, bonds, or other securities. The maximum exemption under this subsection (1)(d)(ii)(B) may not exceed two thousand five hundred dollars, regardless of the number of existing separate bank accounts, savings and loan accounts, stocks, bonds, or other securities.

(C) For all consumer debt, two thousand dollars in value may consist of bank accounts, savings and loan accounts, stocks, bonds, or other securities. The maximum exemption under this subsection (1)(d)(ii)(C) may not exceed two thousand dollars, regardless of the number of existing separate bank accounts, savings and loan accounts, stocks, bonds, or other securities;

(iii) For an individual, a motor vehicle used for personal transportation, not to exceed three thousand two hundred fifty dollars or for a community two motor vehicles used for personal transportation, not to exceed six thousand five hundred dollars in aggregate value;

(iv) Any past due, current, or future child support paid or owed to the debtor, which can be traced;

(v) All professionally prescribed health aids for the debtor or a dependent of the debtor; and

(vi) To any individual, the right to or proceeds of a payment not to exceed twenty thousand dollars on account of personal bodily injury, not including pain and suffering or compensation for actual pecuniary loss, of the debtor or an individual of whom the debtor is a dependent; or the right to or proceeds of a payment in compensation of loss of future earnings of the debtor or an individual of whom the debtor is or was a dependent, to the extent reasonably necessary for the support of the debtor and any dependent of the debtor. The exemption under this subsection (1)(d)(vi) does not apply to the right of the state of Washington,

or any agent or assignee of the state, as a lienholder or subrogee under RCW 43.20B.060.

(e) To each qualified individual, one of the following exemptions:

(i) To a farmer, farm trucks, farm stock, farm tools, farm equipment, supplies and seed, not to exceed ten thousand dollars in value;

(ii) To a physician, surgeon, attorney, member of the clergy, or other professional person, the individual's library, office furniture, office equipment and supplies, not to exceed ten thousand dollars in value;

(iii) To any other individual, the tools and instruments and materials used to carry on his or her trade for the support of himself or herself or family, not to exceed ten thousand dollars in value.

(f) Tuition units, under chapter 28B.95 RCW, purchased more than two years prior to the date of a bankruptcy filing or court judgment, and contributions to any other qualified tuition program under 26 U.S.C. Sec. 529 of the internal revenue code of 1986, as amended, and to a Coverdell education savings account, also known as an education individual retirement account, under 26 U.S.C. Sec. 530 of the internal revenue code of 1986, as amended, contributed more than two years prior to the date of a bankruptcy filing or court judgment.

(2) For purposes of this section, "value" means the reasonable market value of the debtor's interest in an article or item at the time it is selected for exemption, exclusive of all liens and encumbrances thereon.

Sec. 4. RCW 6.27.100 and 2018 c 199 s 204 are each amended to read as follows:

(1) A writ issued for a continuing lien on earnings shall be substantially in the form provided in RCW 6.27.105. All other writs of garnishment shall be substantially in the following form, but:

(a) If the writ is issued under an order or judgment for child support, the following statement shall appear conspicuously in the caption: "This garnishment is based on a judgment or order for child support";

(b) If the writ is issued under an order or judgment for private student loan debt, the following statement shall appear conspicuously in the caption: "This garnishment is based on a judgment or order for private student loan debt"; ~~((and))~~

(c) If the writ is issued under an order or judgment for consumer debt, the following statement shall appear conspicuously in the caption: "This garnishment is based on a judgment or order for consumer debt"; and

(d) If the writ is issued by an attorney, the writ shall be revised as indicated in subsection (2) of this section:

"IN THE COURT
OF THE STATE OF WASHINGTON IN AND FOR
THE COUNTY OF

.....,

Plaintiff,

vs.

.....,

No.

WRIT OF

Defendant, GARNISHMENT

.....

Garnishee

THE STATE OF WASHINGTON TO:

Garnishee

AND TO:

Defendant

The above-named plaintiff has applied for a writ of garnishment against you, claiming that the above-named defendant is indebted to plaintiff and that the amount to be held to satisfy that indebtedness is \$, consisting of:

Balance on Judgment or Amount of Claim	\$
Interest under Judgment from to	\$
Per Day Rate of Estimated Interest	\$
	per day
Taxable Costs and Attorneys' Fees	\$
Estimated Garnishment Costs:	
Filing and Ex Parte Fees	\$
Service and Affidavit Fees	\$
Postage and Costs of Certified Mail	\$
Answer Fee or Fees	\$
Garnishment Attorney Fee	\$
Other	\$

YOU ARE HEREBY COMMANDED, unless otherwise directed by the court, by the attorney of record for the plaintiff, or by this writ, not to pay any debt, whether earnings subject to this garnishment or any other debt, owed to the defendant at the time this writ was served and not to deliver, sell, or transfer, or recognize any sale or transfer of, any personal property or effects of the defendant in your possession or control at the time when this writ was served. Any such payment, delivery, sale, or transfer is void to the extent necessary to satisfy the plaintiff's claim and costs for this writ with interest.

YOU ARE FURTHER COMMANDED to answer this writ according to the instructions in this writ and in the answer forms and, within twenty days after the service of the writ upon you, to mail or deliver the original of such answer to the court, one copy to the plaintiff or the plaintiff's attorney, and one copy to the defendant, at the addresses listed at the bottom of this writ.

If you owe the defendant a debt payable in money in excess of the amount set forth in the first paragraph of this writ, hold only the amount set forth in the first paragraph and any processing fee if one is charged and release all additional funds or property to defendant.

IF YOU FAIL TO ANSWER THIS WRIT AS COMMANDED, A JUDGMENT MAY BE ENTERED AGAINST YOU FOR THE FULL AMOUNT OF THE PLAINTIFF'S CLAIM AGAINST THE DEFENDANT WITH ACCRUING INTEREST, ATTORNEY FEES, AND COSTS WHETHER OR NOT YOU OWE ANYTHING TO THE DEFENDANT. IF YOU PROPERLY ANSWER THIS WRIT, ANY JUDGMENT AGAINST YOU WILL NOT EXCEED THE AMOUNT OF ANY NONEXEMPT DEBT OR THE VALUE OF ANY NONEXEMPT PROPERTY OR EFFECTS IN YOUR POSSESSION OR CONTROL.

JUDGMENT MAY ALSO BE ENTERED AGAINST THE DEFENDANT FOR COSTS AND FEES INCURRED BY THE PLAINTIFF.

Witness, the Honorable, Judge of the above-entitled Court, and the seal thereof, this day of, (year)

[Seal]

.....
Attorney for Plaintiff (or Plaintiff, if no attorney)	Clerk of the Court
.....
Address	By
.....
Name of Defendant	Address"
.....	
Address of Defendant	

(2) If an attorney issues the writ of garnishment, the final paragraph of the writ, containing the date, and the subscripted attorney and clerk provisions, shall be replaced with text in substantially the following form:

"This writ is issued by the undersigned attorney of record for plaintiff under the authority of chapter 6.27 of the Revised Code of Washington, and must be complied with in the same manner as a writ issued by the clerk of the court.

Dated this day of, (year)

.....
Attorney for Plaintiff	
.....
Address	Address of the Clerk of the Court"
.....	
Name of Defendant	
.....	
Address of Defendant	

Sec. 5. RCW 6.27.105 and 2018 c 199 s 205 are each amended to read as follows:

(1) A writ that is issued for a continuing lien on earnings shall be substantially in the following form, but:

(a) If the writ is issued under an order or judgment for child support, the following statement shall appear conspicuously in the caption: "This garnishment is based on a judgment or order for child support";

(b) If the writ is issued under an order or judgment for private student loan debt, the following statement shall appear conspicuously in the caption: "This garnishment is based on a judgment or order for private student loan debt"; ~~((and))~~

(c) If the writ is issued under an order or judgment for consumer debt, the following statement shall appear conspicuously in the caption: "This garnishment is based on a judgment or order for consumer debt"; and

(d) If the writ is issued by an attorney, the writ shall be revised as indicated in subsection (2) of this section:

"IN THE COURT
OF THE STATE OF WASHINGTON IN AND FOR
THE COUNTY OF

.....

Plaintiff,

No. . . .

vs.

.....

Defendant

WRIT OF
GARNISHMENT FOR
CONTINUING LIEN ON
EARNINGS

.....

Garnishee

THE STATE OF WASHINGTON TO:

Garnishee

AND TO:

Defendant

The above-named plaintiff has applied for a writ of garnishment against you, claiming that the above-named defendant is indebted to plaintiff and that the amount to be held to satisfy that indebtedness is \$, consisting of:

Balance on Judgment or Amount of Claim	\$
Interest under Judgment from to	\$
Per Day Rate of Estimated Interest	\$
	per day
Taxable Costs and Attorneys' Fees	\$
Estimated Garnishment Costs:	

Filing and Ex Parte Fees	\$
Service and Affidavit Fees	\$
Postage and Costs of Certified Mail	\$
Answer Fee or Fees	\$
Garnishment Attorney Fee	\$
Other	\$

THIS IS A WRIT FOR A CONTINUING LIEN. THE GARNISHEE SHALL HOLD the nonexempt portion of the defendant's earnings due at the time of service of this writ and shall also hold the defendant's nonexempt earnings that accrue through the last payroll period ending on or before SIXTY days after the date of service of this writ. HOWEVER, IF THE GARNISHEE IS PRESENTLY HOLDING THE NONEXEMPT PORTION OF THE DEFENDANT'S EARNINGS UNDER A PREVIOUSLY SERVED WRIT FOR A CONTINUING LIEN, THE GARNISHEE SHALL HOLD UNDER THIS WRIT only the defendant's nonexempt earnings that accrue from the date the previously served writ or writs terminate and through the last payroll period ending on or before sixty days after the date of termination of the previous writ or writs. IN EITHER CASE, THE GARNISHEE SHALL STOP WITHHOLDING WHEN THE SUM WITHHELD EQUALS THE AMOUNT STATED IN THIS WRIT OF GARNISHMENT.

YOU ARE HEREBY COMMANDED, unless otherwise directed by the court, by the attorney of record for the plaintiff, or by this writ, not to pay any debt, whether earnings subject to this garnishment or any other debt, owed to the defendant at the time this writ was served and not to deliver, sell, or transfer, or recognize any sale or transfer of, any personal property or effects of the defendant in your possession or control at the time when this writ was served. Any such payment, delivery, sale, or transfer is void to the extent necessary to satisfy the plaintiff's claim and costs for this writ with interest.

YOU ARE FURTHER COMMANDED to answer this writ according to the instructions in this writ and in the answer forms and, within twenty days after the service of the writ upon you, to mail or deliver the original of such answer to the court, one copy to the plaintiff or the plaintiff's attorney, and one copy to the defendant, at the addresses listed at the bottom of this writ.

If, at the time this writ was served, you owed the defendant any earnings (that is, wages, salary, commission, bonus, tips, or other compensation for personal services or any periodic payments pursuant to a nongovernmental pension or retirement program), the defendant is entitled to receive amounts that are exempt from garnishment under federal and state law. You must pay the exempt amounts to the defendant on the day you would customarily pay the compensation or other periodic payment. As more fully explained in the answer, the basic exempt amount is the greater of seventy-five percent of disposable earnings or a minimum amount determined by reference to the employee's pay period, to be calculated as provided in the answer. However, if this writ carries a statement in the heading of ~~((either:))~~ "This garnishment is based on a judgment or order for child support," the basic exempt amount is fifty percent of disposable earnings; ~~((or))~~ and if this writ carries a statement in the heading of "This garnishment is based on a judgment or order for private student loan debt,"

the basic exempt amount is the greater of eighty-five percent of disposable earnings or fifty times the minimum hourly wage of the highest minimum wage law in the state at the time the earnings are payable; and if this writ carries a statement in the heading of "This garnishment is based on a judgment or order for consumer debt," the basic exempt amount is the greater of eighty percent of disposable earnings or thirty-five times the state minimum hourly wage.

YOU MAY DEDUCT A PROCESSING FEE FROM THE REMAINDER OF THE EMPLOYEE'S EARNINGS AFTER WITHHOLDING UNDER THIS WRIT. THE PROCESSING FEE MAY NOT EXCEED TWENTY DOLLARS FOR THE FIRST ANSWER AND TEN DOLLARS AT THE TIME YOU SUBMIT THE SECOND ANSWER.

If you owe the defendant a debt payable in money in excess of the amount set forth in the first paragraph of this writ, hold only the amount set forth in the first paragraph and any processing fee if one is charged and release all additional funds or property to defendant.

IF YOU FAIL TO ANSWER THIS WRIT AS COMMANDED, A JUDGMENT MAY BE ENTERED AGAINST YOU FOR THE FULL AMOUNT OF THE PLAINTIFF'S CLAIM AGAINST THE DEFENDANT WITH ACCRUING INTEREST, ATTORNEY FEES, AND COSTS WHETHER OR NOT YOU OWE ANYTHING TO THE DEFENDANT. IF YOU PROPERLY ANSWER THIS WRIT, ANY JUDGMENT AGAINST YOU WILL NOT EXCEED THE AMOUNT OF ANY NONEXEMPT DEBT OR THE VALUE OF ANY NONEXEMPT PROPERTY OR EFFECTS IN YOUR POSSESSION OR CONTROL.

JUDGMENT MAY ALSO BE ENTERED AGAINST THE DEFENDANT FOR COSTS AND FEES INCURRED BY THE PLAINTIFF.

Witness, the Honorable, Judge of the above-entitled Court, and the seal thereof, this day of, (year)

[Seal]

.....
Attorney for Plaintiff (or Plaintiff, if no attorney)	Clerk of the Court
.....
Address	By
.....
Name of Defendant	Address"
.....	
Address of Defendant	

(2) If an attorney issues the writ of garnishment, the final paragraph of the writ, containing the date, and the subscribed attorney and clerk provisions, shall be replaced with text in substantially the following form:

"This writ is issued by the undersigned attorney of record for plaintiff under the authority of chapter 6.27 of the Revised Code of Washington, and must be complied with in the same manner as a writ issued by the clerk of the court.

Dated thisday of, (year)

.....

Attorney for Plaintiff

.....

Address Address of the Clerk of the Court"

.....

Name of Defendant

.....

Address of Defendant

Sec. 6. RCW 6.27.140 and 2018 c 199 s 206 are each amended to read as follows:

(1) The notice required by RCW 6.27.130(1) to be mailed to or served on an individual judgment debtor shall be in the following form, printed or typed in no smaller than size twelve point font:

NOTICE OF GARNISHMENT AND OF YOUR RIGHTS

A Writ of Garnishment issued in a Washington court has been or will be served on the garnishee named in the attached copy of the writ. After receipt of the writ, the garnishee is required to withhold payment of any money that was due to you and to withhold any other property of yours that the garnishee held or controlled. This notice of your rights is required by law.

YOU HAVE THE FOLLOWING EXEMPTION RIGHTS:

WAGES. If the garnishee is your employer who owes wages or other personal earnings to you, your employer is required to pay amounts to you that are exempt under state and federal laws, as explained in the writ of garnishment. You should receive a copy of your employer's answer, which will show how the exempt amount was calculated. If the garnishment is for child support, the exempt amount paid to you will be a percent of your disposable earnings, which is fifty percent of that part of your earnings remaining after your employer deducts those amounts which are required by law to be withheld. If the garnishment is for private student loan debt, the exempt amount paid to you will be the greater of the following: A percent of your disposable earnings, which is eighty-five percent of the part of your earnings remaining after your employer deducts those amounts which are required by law to be withheld, or fifty times the minimum hourly wage of the highest

minimum wage law in the state at the time the earnings are payable. If the garnishment is for consumer debt, the exempt amount paid to you will be the greater of the following: A percent of your disposable earnings, which is eighty percent of the part of your earnings remaining after your employer deducts those amounts which are required by law to be withheld, or thirty-five times the state minimum hourly wage.

BANK ACCOUNTS. If the garnishee is a bank or other institution with which you have an account in which you have deposited benefits such as Temporary Assistance for Needy Families, Supplemental Security Income (SSI), Social Security, veterans' benefits, unemployment compensation, or any federally qualified pension, such as a state or federal pension, individual retirement account (IRA), or 401K plan, you may claim the account as fully exempt if you have deposited only such benefit funds in the account. It may be partially exempt even though you have deposited money from other sources in the same account. An exemption is also available under RCW 26.16.200, providing that funds in a community bank account that can be identified as the earnings of a stepparent are exempt from a garnishment on the child support obligation of the parent.

OTHER EXEMPTIONS. If the garnishee holds other property of yours, some or all of it may be exempt under RCW 6.15.010, a Washington statute that exempts certain property of your choice (including up to \$2,500.00 in a bank account if you owe on private student loan debts; up to \$2,000.00 in a bank account if you owe on consumer debts; or up to \$500.00 in a bank account for all other debts) and certain other property such as household furnishings, tools of trade, and a motor vehicle (all limited by differing dollar values).

HOW TO CLAIM EXEMPTIONS. Fill out the enclosed claim form and mail or deliver it as described in instructions on the claim form. If the plaintiff does not object to your claim, the funds or other property that you have claimed as exempt must be released not later than 10 days after the plaintiff receives your claim form. If the plaintiff objects, the law requires a hearing not later than 14 days after the plaintiff receives your claim form, and notice of the objection and hearing date will be mailed to you at the address that you put on the claim form.

THE LAW ALSO PROVIDES OTHER EXEMPTION RIGHTS. IF NECESSARY, AN ATTORNEY CAN ASSIST YOU TO ASSERT THESE AND OTHER RIGHTS, BUT YOU MUST ACT IMMEDIATELY TO AVOID LOSS OF RIGHTS BY DELAY.

(2)(a) If the writ is to garnish funds or property held by a financial institution, the claim form required by RCW 6.27.130(1) to be mailed to or

served on an individual judgment debtor shall be in the following form, printed or typed in no smaller than size twelve point font:

[Caption to be filled in by judgment creditor or plaintiff before mailing.]

Name of Court

..... No

Plaintiff,

vs.

..... EXEMPTION CLAIM

Defendant,

Garnishee Defendant

INSTRUCTIONS:

1. Read this whole form after reading the enclosed notice. Then put an X in the box or boxes that describe your exemption claim or claims and write in the necessary information on the blank lines. If additional space is needed, use the bottom of the last page or attach another sheet.
2. Make two copies of the completed form. Deliver the original form by first-class mail or in person to the clerk of the court, whose address is shown at the bottom of the writ of garnishment. Deliver one of the copies by first-class mail or in person to the plaintiff or plaintiff's attorney, whose name and address are shown at the bottom of the writ. Keep the other copy. **YOU SHOULD DO THIS AS QUICKLY AS POSSIBLE, BUT NO LATER THAN 28 DAYS (4 WEEKS) AFTER THE DATE ON THE WRIT.**

I/We claim the following money or property as exempt:

IF BANK ACCOUNT IS GARNISHED:

[] The account contains payments from:

- [] Temporary assistance for needy families, SSI, or other public assistance. I receive \$ monthly.
- [] Social Security. I receive \$ monthly.
- [] Veterans' Benefits. I receive \$ monthly.

- Federally qualified pension, such as a state or federal pension, individual retirement account (IRA), or 401K plan. I receive \$ monthly.
- Unemployment Compensation. I receive \$ monthly.
- Child support. I receive \$ monthly.
- Other. Explain
- \$2,500 exemption for private student loan debts.
- \$2,000 exemption for consumer debts.
- \$500 exemption for all other debts.

IF EXEMPTION IN BANK ACCOUNT IS CLAIMED, ANSWER ONE OR BOTH OF THE FOLLOWING:

- No money other than from above payments are in the account.
- Moneys in addition to the above payments have been deposited in the account. Explain

OTHER PROPERTY:

- Describe property

 (If you claim other personal property as exempt, you must attach a list of all other personal property that you own.)

.....

Print: Your name	If married or in a state registered domestic partnership, name of husband/wife/state registered domestic partner
------------------	------------------------------------------------------------------------------------------------------------------

.....

Your signature	Signature of husband, wife, or state registered domestic partner
----------------	------------------------------------------------------------------

.....

.....

Address	Address (if different from yours)
---------	--------------------------------------

.....

Telephone number Telephone number
(if different from yours)

CAUTION: If the plaintiff objects to your claim, you will have to go to court and give proof of your claim. For example, if you claim that a bank account is exempt, you may have to show the judge your bank statements and papers that show the source of the money you deposited in the bank. Your claim may be granted more quickly if you attach copies of such proof to your claim.

IF THE JUDGE DENIES YOUR EXEMPTION CLAIM, YOU WILL HAVE TO PAY THE PLAINTIFF'S COSTS. IF THE JUDGE DECIDES THAT YOU DID NOT MAKE THE CLAIM IN GOOD FAITH, HE OR SHE MAY DECIDE THAT YOU MUST PAY THE PLAINTIFF'S ATTORNEY FEES.

(b) If the writ is directed to an employer to garnish earnings, the claim form required by RCW 6.27.130(1) to be mailed to or served on an individual judgment debtor shall be in the following form, subject to (c) of this subsection, printed or typed in no smaller than size twelve point font type:

[Caption to be filled in by judgment creditor
or plaintiff before mailing.]

.....
Name of Court

..... No
Plaintiff,

vs.

..... EXEMPTION CLAIM
Defendant,

.....
Garnishee Defendant

INSTRUCTIONS:

- 1. Read this whole form after reading the enclosed notice. Then put an X in the box or boxes that describe your exemption claim or claims and write in the necessary information on the blank lines. If additional space is needed, use the bottom of the last page or attach another sheet.

- 2. Make two copies of the completed form. Deliver the original form by first-class mail or in person to the clerk of the court, whose address is shown at the bottom of the writ of garnishment. Deliver one of the copies by first-class mail or in person to the plaintiff or plaintiff's attorney, whose name and address are shown at the bottom of the writ. Keep the other copy. **YOU SHOULD DO THIS AS QUICKLY AS POSSIBLE, BUT NO LATER THAN 28 DAYS (4 WEEKS) AFTER THE DATE ON THE WRIT.**

I/We claim the following money or property as exempt:

IF PENSION OR RETIREMENT BENEFITS ARE GARNISHED:

Name and address of employer who is paying the benefits:

.....

IF EARNINGS ARE GARNISHED FOR CHILD SUPPORT:

I claim maximum exemption.

IF EARNINGS ARE GARNISHED FOR PRIVATE STUDENT LOAN DEBT:

I claim maximum exemption.

IF EARNINGS ARE GARNISHED FOR CONSUMER DEBT:

I claim maximum exemption.

.....
Print: Your name	If married or in a state registered domestic partnership, name of husband/wife/state registered domestic partner
.....
Your signature	Signature of husband, wife, or state registered domestic partner
.....
.....

Address	Address (if different from yours)
.....
Telephone number	Telephone number (if different from yours)

CAUTION: If the plaintiff objects to your claim, you will have to go to court and give proof of your claim. For example, if you claim that a bank account is exempt, you may have to show the judge your bank statements and papers that show the source of the money you deposited in the bank. Your claim may be granted more quickly if you attach copies of such proof to your claim.

IF THE JUDGE DENIES YOUR EXEMPTION CLAIM, YOU WILL HAVE TO PAY THE PLAINTIFF'S COSTS. IF THE JUDGE DECIDES THAT YOU DID NOT MAKE THE CLAIM IN GOOD FAITH, HE OR SHE MAY DECIDE THAT YOU MUST PAY THE PLAINTIFF'S ATTORNEY FEES.

(c) If the writ under (b) of this subsection is not a writ for the collection of child support, the exemption language pertaining to child support may be omitted.

(d) If the writ under (b) of this subsection is not a writ for the collection of private student loan debt, the exemption language pertaining to private student loan debt may be omitted.

(e) If the writ under (b) of this subsection is not a writ for the collection of consumer debt, the exemption language pertaining to consumer debt may be omitted.

Sec. 7. RCW 6.27.150 and 2018 c 199 s 207 are each amended to read as follows:

(1) Except as provided in subsections (2) and (3) of this section, if the garnishee is an employer owing the defendant earnings, then for each week of such earnings, an amount shall be exempt from garnishment which is the greatest of the following:

(a) Thirty-five times the federal minimum hourly wage in effect at the time the earnings are payable; or

(b) Seventy-five percent of the disposable earnings of the defendant.

(2) In the case of a garnishment based on a judgment or other order for child support or court order for spousal maintenance, other than a mandatory wage assignment order pursuant to chapter 26.18 RCW, or a mandatory assignment of retirement benefits pursuant to chapter 41.50 RCW, the exemption shall be fifty percent of the disposable earnings of the defendant.

(3) In the case of a garnishment based on a judgment or other order for the collection of private student loan debt, for each week of such earnings, an amount shall be exempt from garnishment which is the greater of the following:

(a) Fifty times the minimum hourly wage of the highest minimum wage law in the state at the time the earnings are payable; or

(b) Eighty-five percent of the disposable earnings of the defendant.

(4) In the case of a garnishment based on a judgment or other order for the collection of consumer debt, for each week of such earnings, an amount shall be exempt from garnishment which is the greater of the following:

- (a) Thirty-five times the state minimum hourly wage; or
- (b) Eighty percent of the disposable earnings of the defendant.

(5) The exemptions stated in this section shall apply whether such earnings are paid, or are to be paid, weekly, monthly, or at other intervals, and whether earnings are due the defendant for one week, a portion thereof, or for a longer period.

~~((5))~~ (6) Unless directed otherwise by the court, the garnishee shall determine and deduct exempt amounts under this section as directed in the writ of garnishment and answer, and shall pay these amounts to the defendant.

~~((6))~~ (7) No money due or earned as earnings as defined in RCW 6.27.010 shall be exempt from garnishment under the provisions of RCW 6.15.010, as now or hereafter amended.

Passed by the House April 18, 2019.
 Passed by the Senate April 15, 2019.
 Approved by the Governor May 13, 2019.
 Filed in Office of Secretary of State May 16, 2019.

CHAPTER 372

[Engrossed Substitute House Bill 1667]

PUBLIC RECORDS REQUEST ADMINISTRATION--VARIOUS PROVISIONS

AN ACT Relating to public records request administration; amending RCW 40.14.026, 42.56.570, and 36.22.175; and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 40.14.026 and 2017 c 303 s 6 are each amended to read as follows:

(1) The division of archives and records management in the office of the secretary of state must establish and administer a competitive grant program for local agencies to improve technology information systems for public record retention, management, and disclosure, and any related training. The division of archives and records management may use up to six percent of amounts appropriated for the program for administration of the grant program. ~~((The program in this subsection ceases to exist June 30, 2020.))~~

(2) Any local agency may apply to the grant program. The division of archives and records management in the office of the secretary of state must award grants annually. The division of archives and records management must consult with the chief information officer to develop the criteria for grant recipient selection with a preference given to small local governmental agencies based on the applicant agency's need and ability to improve its information technology systems for public record retention, management, and disclosure. The division of archives and records management may award grants for specific hardware, software, equipment, technology services management and training needs, indexing for local records and digital data, and other resources for improving information technology systems. To the extent possible, information technology systems, processes, training, and other resources for improving

information technology systems for records retention and distribution may be replicated and shared with other governmental entities. Grants are provided for one-time investments and are not an ongoing source of revenue for operation or management costs. A grantee may not supplant local funding with grant funding provided by the office of the secretary of state. ~~((The program in this subsection ceases to exist June 30, 2020.))~~

(3) The joint legislative audit and review committee must conduct a review of the attorney general's consultation program and the state archivist's training services created under section 4, chapter 303, Laws of 2017, and the local government competitive grant program created under this section. The review must include:

(a)(i) Information on the number of local governments served, the types of consultation and training provided, and the implementation of any practices adopted from the attorney general's consultation program and the state archivist's training services; and

(ii) The effectiveness of the consultation program and the training services in providing assistance for local governments; and

(b)(i) Information on the number of local governments that applied for and participated in the competitive grant program under this section, the amount of funding awarded through the grant program, and how such funding was used; and

(ii) The effectiveness of the grant program in improving local government technology information systems for public records retention, management, disclosure, and training.

(4) Each agency shall maintain a log of public records requests submitted to and processed by the agency, which shall include but not be limited to the following information for each request: The identity of the requestor if provided by the requestor, the date the request was received, the text of the original request, a description of the records produced in response to the request, a description of the records redacted or withheld and the reasons therefor, and the date of the final disposition of the request. The log must be retained by the agency in accordance with the relevant record retention schedule established under this chapter, and shall be a public record subject to disclosure under chapter 42.56 RCW.

(5) To improve best practices for dissemination of public records, each agency with actual staff and legal costs associated with fulfilling public records requests of at least one hundred thousand dollars during the prior fiscal year must, and each agency with such estimated costs of less than one hundred thousand dollars during the prior fiscal year may, report to the joint legislative audit and review committee by July 1st of each subsequent year the following metrics, measured over the preceding year:

~~(a) ((An identification of leading practices and processes for records management and retention, including technological upgrades, and what percentage of those leading practices and processes were implemented by the agency;~~

~~(b) The average length of time taken to acknowledge receipt of a public records request;~~

~~(c) The proportion of requests where the agency provided the requested records within five days of receipt of the request compared to the proportion of~~

~~requests where the agency provided an estimate of an anticipated response time beyond five days of receipt of the request;~~

~~(d) A comparison of the agency's average initial estimate provided for full disclosure of responsive records with the actual time when all responsive records were fully disclosed, including whether the agency sent subsequent estimates of an anticipated response time;~~

~~(e)) The number of requests where the agency provided the requested records within five days of receiving the request.~~

~~(b) The number of requests where the agency provided a time estimate for providing responsive records beyond five days after receiving the request.~~

~~(c) The average and median number of days from receipt of request to the date the request is closed.~~

~~(d) The number of requests where the agency formally sought additional clarification from the requestor;~~

~~((f)) (e) The number of requests denied in full or in part and the most common reasons for denying requests;~~

~~((g)) (f) The number of requests abandoned by requestors;~~

~~((h)) (g) To the extent the information is known by the agency, requests by type of requestor, including individuals, law firms, organizations, insurers, governments, incarcerated persons, the media, anonymous requestors, current or former employees, and others;~~

~~((i)) (h) Which portion of requests were fulfilled electronically compared to requests fulfilled by physical records;~~

~~((j)) (i) The number of requests where the agency ~~((was required to scan))~~ scanned physical records electronically to fulfill disclosure;~~

~~((k)) (j) The total estimated agency staff time spent on each individual request;~~

~~((l)) (k) The estimated costs incurred by the agency in fulfilling records requests, including costs for staff compensation and legal review, and a measure of the average cost per request;~~

~~((m)) (l) The number of claims filed alleging a violation of chapter 42.56 RCW or other public records statutes in the past year involving the agency, categorized by type and exemption at issue, if applicable;~~

~~((n)) (m) The costs incurred by the agency litigating claims alleging a violation of chapter 42.56 RCW or other public records statutes in the past year, including any penalties imposed on the agency;~~

~~((o)) (n) The costs incurred by the agency with managing and retaining records, including staff compensation and purchases of equipment, hardware, software, and services to manage and retain public records ~~((or otherwise assist in the fulfillment of public records requests)); and~~~~

~~((p)) (o) Expenses recovered by the agency from requestors for fulfilling public records requests, including any customized service charges~~((and~~~~

~~(q) Measures of requestor satisfaction with agency responses, communication, and processes relating to the fulfillment of public records requests)).~~

(6) The joint legislative audit and review committee must consult with state and local agencies to develop a reporting method and clearly define standardized metrics in accordance with this section.

(7) By December 1, 2019, the joint legislative audit and review committee must report to the legislature on its findings from the review, including recommendations on whether the competitive grant program, the attorney general's consultation program, and the state archivist's training services should continue or be allowed to expire.

Sec. 2. RCW 42.56.570 and 2017 c 303 s 4 are each amended to read as follows:

(1) The attorney general's office shall publish, and update when appropriate, a pamphlet, written in plain language, explaining this chapter.

(2) The attorney general, by February 1, 2006, shall adopt by rule advisory model rules for state and local agencies, as defined in RCW 42.56.010, addressing the following subjects:

- (a) Providing fullest assistance to requestors;
- (b) Fulfilling large requests in the most efficient manner;
- (c) Fulfilling requests for electronic records; and
- (d) Any other issues pertaining to public disclosure as determined by the attorney general.

(3) The attorney general, in his or her discretion, may from time to time revise the model (~~(rule[s])~~) rules.

(4) Local agencies should consult the advisory model rules when establishing local ordinances for compliance with the requirements and responsibilities of this chapter.

(5) (~~(Until June 30, 2020,)~~) The attorney general must establish a consultation program to provide information for developing best practices for local agencies requesting assistance in compliance with this chapter including, but not limited to: Responding to records requests, seeking additional public and private resources for developing and updating technology information services, and mitigating liability and costs of compliance. The attorney general may develop the program in conjunction with the advisory model rule and may collaborate with the chief information officer, the state archivist, and other relevant agencies and organizations in developing and managing the program. (~~(The program in this subsection ceases to exist June 30, 2020.)~~)

(6) (~~(Until June 30, 2020,)~~) The state archivist must offer and provide consultation and training services for local agencies on improving record retention practices.

Sec. 3. RCW 36.22.175 and 2011 1st sp.s. c 50 s 931 are each amended to read as follows:

(1)(a) In addition to any other charge authorized by law, the county auditor shall charge a surcharge of one dollar per instrument for each document recorded. Revenue generated through this surcharge shall be transmitted monthly to the state treasurer for deposit in the local government archives account under RCW 40.14.024. These funds shall be used solely for providing records scheduling, security microfilm inspection and storage, archival preservation, cataloging, and indexing for local government records and digital data and access to those records and data through the regional branch archives of the division of archives and records management.

(b) The division of archives and records management within the office of the secretary of state shall provide records management training for local

governments and shall establish a competitive grant program to solicit and prioritize project proposals from local governments for potential funding to be paid for by funds from the auditor surcharge and tax warrant surcharge revenues. Application for specific projects may be made by local government agencies only. The state archivist in consultation with the advisory committee established under RCW 40.14.027 shall adopt rules governing project eligibility, evaluation, awarding of grants, and other criteria including requirements for records management training for grant recipients.

(2) The advisory committee established under RCW 40.14.027 shall review grant proposals and establish a prioritized list of projects to be considered for funding by January 1st of each even-numbered year, beginning in 2002. The evaluation of proposals and development of the prioritized list must be developed through open public meetings. Funding for projects shall be granted according to the ranking of each application on the prioritized list and projects will be funded only to the extent that funds are available. A grant award may have an effective date other than the date the project is placed on the prioritized list.

(3)(a) In addition to any other surcharge authorized by law, the county auditor shall charge a surcharge of one dollar per instrument for every document recorded after January 1, 2002. Revenue generated through this surcharge shall be transmitted to the state treasurer monthly for deposit in the local government archives account under RCW 40.14.024 to be used exclusively for: (i) The construction and improvement of a specialized regional facility located in eastern Washington designed to serve the archives, records management, and digital data management needs of local government; and (ii) payment of the certificate of participation issued for the Washington state heritage center to the extent there is an excess fund balance in the account and fees generated under RCW 36.18.010 and 43.07.128 are insufficient to meet debt service payments on the certificate of participation.

(b) To the extent the facilities are used for the storage and retrieval of state agency records and digital data, that portion of the construction of such facilities used for state government records and data shall be supported by other charges and fees paid by state agencies and shall not be supported by the surcharge authorized in this subsection, except that to the extent there is an excess fund balance in the account and fees generated under RCW 36.18.010 and 43.07.128 are insufficient to meet debt service payments for the Washington state heritage center, the local government archives account under RCW 40.14.024 may be used for the Washington state heritage center.

(c) At such time that all debt service from construction of the specialized regional archive facility located in eastern Washington has been paid, fifty percent of the surcharge authorized by this subsection shall be reverted to the centennial document preservation and modernization account as prescribed in RCW 36.22.170 and fifty percent of the surcharge authorized by this section shall be reverted to the state treasurer for deposit in the public records efficiency, preservation, and access account to serve the archives, records management, and digital data management needs of local government, except that the state treasurer shall not revert funds to the centennial document preservation and modernization account and to the public records efficiency, preservation, and access account if fees generated under RCW 36.18.010 and 43.07.128 are

insufficient to meet debt service payments on the Washington state heritage center.

(4) In addition to any other surcharge authorized by law, the county auditor shall charge a surcharge of one dollar per instrument for every document recorded. Revenue generated through this surcharge shall be transmitted to the state treasurer monthly for deposit in the local government archives account under RCW 40.14.024 to be used exclusively for the competitive grant program in RCW 40.14.026, and for the attorney general's consultation program and state archivist's training services authorized in RCW 42.56.570.

NEW SECTION. Sec. 4. Section 3 of this act takes effect June 30, 2020.

Passed by the House April 26, 2019.

Passed by the Senate April 25, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 373

[Engrossed Substitute House Bill 1692]

AGENCY EMPLOYEE WORKPLACE HARASSMENT AND STALKING--PUBLIC RECORDS ACT

AN ACT Relating to protecting information concerning agency employees who have filed a claim of harassment or stalking; adding new sections to chapter 42.56 RCW; creating a new section; prescribing penalties; and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that state agency employees operate in unique work environments in which there is a higher level of transparency surrounding their daily work activities. The legislature finds that we must act to protect the health and safety of state employees, but even more so when employees become the victims of sexual harassment or stalking. The legislature finds that when a state agency employee is the target of sexual harassment or stalking, there is a significant risk to the employee's physical safety and well-being. The legislature finds that workplace safety is of paramount importance and that the state has an interest in protecting against the inappropriate use of public resources to carry out actions of sexual harassment or stalking.

NEW SECTION. Sec. 2. A new section is added to chapter 42.56 RCW to read as follows:

(1) Except by court order issued pursuant to subsection (3) of this section, an agency may not disclose as a response to a public records request made pursuant to this chapter records concerning an agency employee, as defined in subsection (5) of this section, if:

(a) The requestor is a person alleged in the claim of workplace sexual harassment or stalking to have harassed or stalked the agency employee who is named as the victim in the claim; and

(b) After conducting an investigation, the agency issued discipline resulting from the claim of workplace sexual harassment or stalking to the requestor described under (a) of this subsection.

(2)(a) When the requestor is someone other than a person described under subsection (1) of this section, the agency must immediately notify an agency employee upon receipt of a public records request for records concerning that agency employee if the agency conducted an investigation of the claim of workplace sexual harassment or stalking involving the agency employee and the agency issued discipline resulting from the claim.

(b) Upon notice provided in accordance with (a) of this subsection, the agency employee may bring an action in a court of competent jurisdiction to enjoin the agency from disclosing the records. The agency employee shall immediately notify the agency upon filing an action under this subsection. Except for the five-day notification required under RCW 42.56.520, the time for the employing agency to process a request for records is suspended during the pendency of an action filed under this subsection. Upon notice of an action filed under this subsection, the agency may not disclose such records unless by an order issued in accordance with subsection (3) of this section, or if the action is dismissed without the court granting an injunction.

(3)(a) A court of competent jurisdiction, following sufficient notice to the employing agency, may order the release of some or all of the records described in subsections (1) and (2) of this section after finding that, in consideration of the totality of the circumstances, disclosure would not violate the right to privacy under RCW 42.56.050 for the agency employee. An agency that is ordered in accordance with this subsection to disclose records is not liable for penalties, attorneys' fees, or costs under RCW 42.56.550 if the agency has complied with this section.

(b) For the purposes of this section, it is presumed to be highly offensive to a reasonable person under RCW 42.56.050 to disclose, directly or indirectly, records concerning an agency employee who has made a claim of workplace sexual harassment or stalking with the agency, or is named as a victim in the claim, to persons alleged in the claim to have sexually harassed or stalked the agency employee named as the victim and where the agency issued discipline resulting from the claim after conducting an investigation. The presumption set out under this subsection may be rebutted upon showing of clear, cogent, and convincing evidence that disclosure of the requested record or information to persons alleged in the claim to have sexually harassed or stalked the agency employee named as the victim in the claim is not highly offensive.

(4) Nothing in this section restricts access to records described under subsections (1) and (2) of this section where the agency employee consents in writing to disclosure.

(5) For the purposes of this section:

(a) "Agency" means a state agency, including every state office, department, division, bureau, board, commission, or other state agency.

(b) "Agency employee" means a state agency employee who has made a claim of workplace sexual harassment or stalking with the employing agency, or is named as the victim in the claim.

(c) "Records concerning an agency employee" do not include work product created by the agency employee as part of his or her official duties.

NEW SECTION. Sec. 3. A new section is added to chapter 42.56 RCW to read as follows:

(1) Any person who requests and obtains a record concerning an agency employee, as described in section 2 of this act, is subject to civil liability if he or she uses the record or information in the record to harass, stalk, threaten, or intimidate that agency employee, or provides the record or information in the record to a person, knowing that the person intends to use it to harass, stalk, threaten, or intimidate that agency employee.

(2) Any person liable under subsection (1) of this section may be sued in superior court by any aggrieved party, or in the name of the state by the attorney general or the prosecuting authority of any political subdivision. The court may order an appropriate civil remedy. The plaintiff may recover up to one thousand dollars for each record used in violation of this section, as well as costs and reasonable attorneys' fees.

(3) For the purposes of this section:

(a) "Agency" means a state agency, including every state office, department, division, bureau, board, commission, or other state agency.

(b) "Agency employee" means a state agency employee who has made a claim of workplace sexual harassment or stalking with the employing agency, or is named as the victim in the claim.

(c) "Record concerning an agency employee" does not include work product created by the agency employee as part of his or her official duties.

NEW SECTION. Sec. 4. A new section is added to chapter 42.56 RCW to read as follows:

By January 1, 2020, the attorney general, in consultation with state agencies, shall create model policies for the implementation of this act.

NEW SECTION. Sec. 5. A new section is added to chapter 42.56 RCW to read as follows:

A state agency may not disclose lists of the names of agency employees, as defined under section 2 of this act, maintained by the agency in order to administer section 2 of this act.

NEW SECTION. Sec. 6. This act takes effect July 1, 2020.

Passed by the House April 22, 2019.

Passed by the Senate April 15, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 374

[Engrossed House Bill 1706]

STATE AGENCY EMPLOYMENT OF PERSONS WITH DISABILITIES--SUBMINIMUM WAGE

AN ACT Relating to eliminating subminimum wage certificates for persons with disabilities; and adding a new section to chapter 49.46 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 49.46 RCW to read as follows:

Beginning July 1, 2020, no state agency may employ an individual to work under a special certificate issued under RCW 49.12.110 and 49.46.060 for the

employment of individuals with disabilities at less than the minimum wage. Any special certificate issued by the director to a state agency for the employment of an individual with a disability at less than minimum wage must expire by June 30, 2020. For the purposes of this section, "state agency" means any office, department, commission, or other unit of state government.

Passed by the House April 23, 2019.

Passed by the Senate April 17, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 375

[Substitute House Bill 1724]

PUBLIC FACILITIES--IMPACT ON CERTAIN SURROUNDING NEIGHBORHOODS-- MITIGATION

AN ACT Relating to local government responsibility and accountability in mitigating impacts of public facilities on certain surrounding neighborhoods with high poverty and concentrations of persons of color; and adding a new section to chapter 35.21 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 35.21 RCW to read as follows:

(1) A city with a population of more than five hundred fifty thousand that permits a public facility to be constructed or operated by another local government agency, transit authority, or public facility district in a neighborhood with a high poverty level and a high rate of ethnic diversity shall formally request that the entity that is constructing or is operating the public facility assess and mitigate the negative impacts that the facility has had on parking in the surrounding neighborhood. The entity operating or constructing the facility must consider the potential or actual disparate racial, social, and economic impacts of the public facility on residents nearby and develop a mitigation plan, which keeps the residents of the impacted neighborhood whole for the costs of the mitigation strategy, including paying for the costs of any residential parking zone necessitated by the facility causing the impact. The entity operating or constructing the facility may negotiate with other political subdivisions who have a direct interest in having created the negative impacts, but the residents must be held harmless.

(2) For purposes of this section, neighborhood boundaries are defined by the boundaries of community reporting areas, as established in the most recent United States census.

(3) For purposes of this section:

(a) "Public facility" means a project that was completed by December 31, 2014.

(b) A neighborhood has a high poverty level if twelve percent or more of the population is below the poverty level according to the most recent American community survey's five-year estimate.

(c) A neighborhood has a high rate of ethnic diversity if forty percent or more of the population identifies as persons of color according to the most recent American community survey's five-year estimate.

Passed by the House April 18, 2019.
 Passed by the Senate April 12, 2019.
 Approved by the Governor May 13, 2019.
 Filed in Office of Secretary of State May 16, 2019.

CHAPTER 376

[House Bill 1727]

GIFT CARDS AND CERTIFICATES--EXPIRATION DATES AND DORMANCY CHARGES

AN ACT Relating to gift cards; amending RCW 19.240.010, 19.240.020, and 19.240.030; repealing RCW 19.240.040, 19.240.050, 19.240.060, and 19.240.070; and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 19.240.010 and 2011 c 213 s 1 are each amended to read as follows:

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

~~(1) ("Artistic and cultural organization" has the same meaning as in RCW 82.04.4328.~~

~~(2) "Charitable organization" means an organization exempt from tax under section 501(c)(3) of the internal revenue code of 1986 (26 U.S.C. Sec. 501(c)(3)).~~

~~(3) "Fund raising activity" has the same meaning as in RCW 82.04.3651.~~

~~(4))~~ (a) "Gift card" means a record as described in subsection (5) of this section in the form of a card, or a stored value card or other physical medium, containing stored value primarily intended to be exchanged for consumer goods and services.

(b) "Gift card" does not include prepaid telephone calling cards or prepaid commercial mobile radio services as defined in 47 C.F.R. 20.3.

~~((5))~~ (2)(a) "Gift certificate" means an instrument evidencing a promise by the seller or issuer of the record that consumer goods or services will be provided to the bearer of the record to the value or credit shown in the record and includes gift cards.

(b) "Gift certificate" does not include prepaid telephone calling cards or prepaid commercial mobile radio services as defined in 47 C.F.R. 20.3.

~~((6))~~ (3) "Bearer" means a person with a right to receive consumer goods and services under the terms of a gift certificate, without regard to any fee, expiration date, or dormancy or inactivity charge.

~~((7))~~ (4) "Issue" means to sell or otherwise provide a gift certificate to any person, and includes reloading or adding value to an existing gift certificate.

~~((8))~~ (5) "Stored value" has the same meaning as the term "closed loop ~~(stored value device)~~ prepaid access" defined in RCW 19.230.010.

Sec. 2. RCW 19.240.020 and 2004 c 168 s 3 are each amended to read as follows:

(1) Except as provided in RCW 19.240.030 ~~((through 19.240.070))~~, it is unlawful for any person or entity to issue, or to enforce against a bearer, a gift certificate that contains:

(a) An expiration date;

(b) Any fee, including a service fee; or

(c) A dormancy or inactivity charge.

(2) If a gift certificate is issued with the sale of tangible personal property or services, the gift certificate is subject to subsection (1) of this section.

(3) If a purchase is made with a gift certificate for an amount that is less than the value of the gift certificate, the issuer must make the remaining value available to the bearer in cash or as a gift certificate at the option of the issuer. If after the purchase the remaining value of the gift certificate is less than five dollars, the gift certificate must be redeemable in cash for its remaining value on demand of the bearer. A gift certificate is valid until redeemed or replaced.

(4) This section does not require, unless otherwise required by law, the issuer of a gift certificate to replace a lost or stolen gift certificate.

Sec. 3. RCW 19.240.030 and 2004 c 168 s 4 are each amended to read as follows:

(1) It is lawful to issue, and to enforce against the bearer, a gift certificate containing an expiration date if:

(a) The gift certificate is issued pursuant to an awards or loyalty program ~~((or in other instances where no money or other thing of value is given in exchange))~~ for the gift certificate.

(b) The gift certificate is donated to a charitable organization without any money or other thing of value being given in exchange for the gift certificate if the gift certificate is used by a charitable organization solely to provide charitable services.

(2) The expiration date must be disclosed clearly and legibly on any gift certificate described in subsection (1) of this section.

NEW SECTION. **Sec. 4.** The following acts or parts of acts are each repealed:

(1) RCW 19.240.040 (Dormancy or inactivity charge allowed, when) and 2004 c 168 s 5;

(2) RCW 19.240.050 (Expiration date allowed—Donation to charitable organization) and 2004 c 168 s 6;

(3) RCW 19.240.060 (Expiration date—Artistic and cultural organizations) and 2004 c 168 s 7; and

(4) RCW 19.240.070 (Format of statement or expiration date) and 2004 c 168 s 8.

NEW SECTION. **Sec. 5.** This act takes effect July 1, 2020.

Passed by the House April 18, 2019.

Passed by the Senate April 11, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 377

[House Bill 1730]

STATUTE OF LIMITATIONS ON DEBT--EFFECT OF PAYMENTS AND ACKNOWLEDGMENTS

AN ACT Relating to the effect of payment or acknowledgment made after the expiration of a limitations period; and amending RCW 4.16.270 and 4.16.280.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 4.16.270 and Code 1881 s 45 are each amended to read as follows:

When any payment (~~(of principal or interest)~~) has been or shall be made upon any existing contract prior to its applicable limitation period having expired, whether ~~((it be))~~ the contract is a bill of exchange, promissory note, bond, or other evidence of indebtedness, if ~~((such))~~ the payment ((be)) is made after ~~((the same shall have become))~~ it is due, the limitation period shall ~~((commence))~~ restart from the time the ~~((last))~~ most recent payment was made. Any payment on the contract made after the limitation period has expired shall not restart, revive, or extend the limitation period.

Sec. 2. RCW 4.16.280 and Code 1881 s 44 are each amended to read as follows:

No acknowledgment or promise shall be sufficient evidence of a new or continuing contract whereby to take the case out of the operation of this chapter, unless it is contained in some writing signed by the party to be charged thereby; ~~((but))~~ except, an acknowledgment or promise made after the limitation period has expired shall not restart, revive, or extend the limitation period. This section shall not alter the effect of any payment of principal or interest.

Passed by the House April 18, 2019.

Passed by the Senate April 15, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 378

[Second Substitute House Bill 1767]

ARREST AND JAIL ALTERNATIVES--LAW ENFORCEMENT GRANT PROGRAM

AN ACT Relating to establishing a law enforcement grant program to expand alternatives to arrest and jail processes; adding a new section to chapter 36.28A RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. **Sec. 1.** A new section is added to chapter 36.28A RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the Washington association of sheriffs and police chiefs, in consultation with the law enforcement assisted diversion national support bureau, shall develop and implement a grant program aimed at supporting local initiatives to properly identify criminal justice system-involved persons with substance use disorders and other behavioral health needs and engage those persons with therapeutic interventions and other services, the efficacy of which have been demonstrated by experience, peer-reviewed research, or which are credible promising practices, prior to or at the time of jail booking, or while in custody.

(2) Grants must be awarded to local jurisdictions based on locally developed proposals to establish or expand existing programs. The lead proposing agency may be a law enforcement agency, other local government entity, tribal government entity, tribal organization, urban Indian organization, or a nonprofit community-based organization. All proposals must include governing involvement from community-based organizations, local government, and law

enforcement, and must also demonstrate engagement of law enforcement, prosecutors, civil rights advocates, public health experts, harm reduction practitioners, organizations led by and representing individuals with past justice system involvement, and public safety advocates. A peer review panel appointed by the Washington association of sheriffs and police chiefs in consultation with the law enforcement assisted diversion national support bureau, integrated managed care organizations and behavioral health organizations must review the grant applications. The peer review panel must include experts in harm reduction and civil rights experts.

(3)(a) Programs preferred for the award of grant funding are those that have a prebooking diversion focus and demonstrate how they will impact one or more of the expected outcomes of the grant program. Preferred programs must contain one or both of the following components:

(i) Employment of tools and strategies to accurately identify individuals with substance use disorders and other behavioral health needs who are known to commit law violations, at or prior to the point of arrest, and immediately engage those individuals with appropriate community-based care and support services that have been proven to be effective for marginalized populations by experience or peer-reviewed research or that are credible promising practices; and

(ii) Capacity to receive ongoing referrals to the same community-based care approach for persons with substance use disorders and other behavioral health needs encountered in jail, with an emphasis on securing the release of those individuals whenever possible consistent with public safety and relevant court rules.

(b) Proposals targeting prebooking diversion may use funds to identify and refer persons who are encountered in jail to community-based services.

(4) Up to twenty-five percent of the total funds appropriated for the grant program may be allocated to proposals containing any of the following components:

(a) Utilization of case manager and peer support services for persons with substance use disorders and other behavioral health needs who are incarcerated in jails;

(b) Specialized training for jail staff relating to incarcerated individuals with substance use disorders and other behavioral health needs;

(c) Comprehensive jail reentry programming for incarcerated persons with substance use disorders and other behavioral health needs; and

(d) Other innovative interventions targeted specifically at persons with substance use disorders and other behavioral health needs who are brought to jail for booking or are incarcerated in jails.

(5) Proposals must provide a plan for tracking client engagement and describe how they will impact one or more of the expected outcomes of the grant program. Grant recipients must agree to comply with any data collection and reporting requirements that are established by the Washington association of sheriffs and police chiefs in consultation with the law enforcement assisted diversion national support bureau. Grant recipients whose proposals include prebooking diversion programs must engage with the law enforcement assisted diversion national support bureau for technical assistance regarding best practices for prebooking diversion programs, and regarding establishment of an

evaluation plan. Subject to appropriated funding, grant awards will be eligible for annual renewal conditioned upon the recipient's demonstration that the funded program is operating in alignment with the requirements for the grant program.

(6) The Washington association of sheriffs and police chiefs must ensure that grants awarded under this program are separate and distinct from grants awarded pursuant to RCW 36.28A.440. Grant funds may not be used to fulfill minimum medical and treatment services that jails or community mental health agencies are legally required to provide.

(7) Once the Washington association of sheriffs and police chiefs, after consultation with the law enforcement assisted diversion national support bureau, certifies that a selected applicant satisfies the proposal criteria, the grant funds will be distributed. To the extent possible, grant awards should be geographically distributed on both the east and west sides of the crest of the Cascade mountain range. Grant applications that include local matching funds may be prioritized. Grant recipients must be selected no later than March 1, 2020.

(8)(a) The grant program under this section must be managed to achieve expected outcomes which are measurable and may be used in the future to evaluate the performance of grant recipients and hold them accountable for the use of funding. The initial expected outcomes defined for the grant program include:

(i) To reduce arrests, time spent in custody, and/or recidivism for clients served by the program;

(ii) To increase access to and utilization of nonemergency community behavioral health services;

(iii) To reduce utilization of emergency services;

(iv) To increase resilience, stability, and well-being for clients served; and

(v) To reduce costs for the justice system compared to processing cases as usual through the justice system.

(b) Programs which apply for and are awarded grant funding may focus on a subset of these outcomes and may target a segment of an outcome, such as reducing time spent in custody but not arrests. The Washington association of sheriffs and police chiefs, in consultation with the law enforcement assisted diversion national support bureau, must develop a plan, timetable, and budget by December 1, 2019, to transition the grant program into a performance-based contracting format and to establish an evidence-based evaluation framework. The plan may include making reasonable modifications to the initial expected outcomes for use in grant contracts. Delivery of the plan to the governor and appropriate committees of the legislature may be combined with the annual report provided in subsection (9) of this section. The research and data division of the department of social and health services and Washington institute for public policy must provide technical support and consultation to support plan development as requested.

(9) The Washington association of sheriffs and police chiefs must submit an annual report regarding the grant program to the governor and appropriate committees of the legislature by December 1st of each year the program is funded. The report must be submitted in compliance with RCW 43.01.036. The report must include information on grant recipients, use of funds, and outcomes

and other feedback from the grant recipients. In preparing the report, the Washington association of sheriffs and police chiefs may consult with the law enforcement assisted diversion national support bureau.

(10) Nothing in this section prohibits the Washington association of sheriffs and police chiefs from soliciting or accepting private funds to support the program created in this section.

(11) No civil liability may be imposed by any court on the state or its officers or employees, an appointed or elected official, public employee, public agency as defined in RCW 4.24.470, combination of units of government and its employees as provided in RCW 36.28A.010, nonprofit community-based organization, tribal government entity, tribal organization, or urban Indian organization based on the administration of this grant program or activities carried out within the purview of a grant received under this program except upon proof of bad faith or gross negligence.

NEW SECTION. Sec. 2. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2019, in the omnibus appropriations act, this act is null and void.

Passed by the House April 24, 2019.

Passed by the Senate April 17, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 379

[House Bill 1792]

SALE OF MARIJUANA TO PERSON UNDER TWENTY-ONE--CRIMINAL PENALTIES

AN ACT Relating to criminal penalties applicable to licensed marijuana retailers and employees of marijuana retail outlets; amending RCW 69.50.401 and 69.50.406; adding a new section to chapter 69.50 RCW; and prescribing penalties.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 69.50 RCW to read as follows:

(1) Except as otherwise authorized in this chapter and as provided in subsection (2) of this section, an employee of a retail outlet who sells marijuana products to a person under the age of twenty-one years in the course of his or her employment is guilty of a gross misdemeanor.

(2) An employee of a retail outlet may be prosecuted under RCW 69.50.401 or 69.50.406 or any other applicable provision, if the employee sells marijuana products to a person the employee knows is under the age of twenty-one and not otherwise authorized to purchase marijuana products under this chapter, or if the employee sells or otherwise provides marijuana products to a person under the age of twenty-one outside of the course of his or her employment.

Sec. 2. RCW 69.50.401 and 2015 c 265 s 34 are each amended to read as follows:

(1) Except as authorized by this chapter, it is unlawful for any person to manufacture, deliver, or possess with intent to manufacture or deliver, a controlled substance.

(2) Any person who violates this section with respect to:

(a) A controlled substance classified in Schedule I or II which is a narcotic drug or flunitrazepam, including its salts, isomers, and salts of isomers, classified in Schedule IV, is guilty of a class B felony and upon conviction may be imprisoned for not more than ten years, or (i) fined not more than twenty-five thousand dollars if the crime involved less than two kilograms of the drug, or both such imprisonment and fine; or (ii) if the crime involved two or more kilograms of the drug, then fined not more than one hundred thousand dollars for the first two kilograms and not more than fifty dollars for each gram in excess of two kilograms, or both such imprisonment and fine;

(b) Amphetamine, including its salts, isomers, and salts of isomers, or methamphetamine, including its salts, isomers, and salts of isomers, is guilty of a class B felony and upon conviction may be imprisoned for not more than ten years, or (i) fined not more than twenty-five thousand dollars if the crime involved less than two kilograms of the drug, or both such imprisonment and fine; or (ii) if the crime involved two or more kilograms of the drug, then fined not more than one hundred thousand dollars for the first two kilograms and not more than fifty dollars for each gram in excess of two kilograms, or both such imprisonment and fine. Three thousand dollars of the fine may not be suspended. As collected, the first three thousand dollars of the fine must be deposited with the law enforcement agency having responsibility for cleanup of laboratories, sites, or substances used in the manufacture of the methamphetamine, including its salts, isomers, and salts of isomers. The fine moneys deposited with that law enforcement agency must be used for such clean-up cost;

(c) Any other controlled substance classified in Schedule I, II, or III, is guilty of a class C felony punishable according to chapter 9A.20 RCW, except as provided in section 1 of this act;

(d) A substance classified in Schedule IV, except flunitrazepam, including its salts, isomers, and salts of isomers, is guilty of a class C felony punishable according to chapter 9A.20 RCW; or

(e) A substance classified in Schedule V, is guilty of a class C felony punishable according to chapter 9A.20 RCW.

(3) The production, manufacture, processing, packaging, delivery, distribution, sale, or possession of marijuana in compliance with the terms set forth in RCW 69.50.360, 69.50.363, or 69.50.366 shall not constitute a violation of this section, this chapter, or any other provision of Washington state law.

(4) The fines in this section apply to adult offenders only.

Sec. 3. RCW 69.50.406 and 2005 c 218 s 2 are each amended to read as follows:

(1) Any person eighteen years of age or over who violates RCW 69.50.401 by distributing a controlled substance listed in Schedules I or II which is a narcotic drug or methamphetamine, including its salts, isomers, and salts of isomers, or flunitrazepam, including its salts, isomers, and salts of isomers, listed in Schedule IV, to a person under eighteen years of age is guilty of a class A felony punishable by the fine authorized by RCW 69.50.401(2) (a) or (b), by a term of imprisonment of up to twice that authorized by RCW 69.50.401(2) (a) or (b), or by both.

(2) Except as provided in section 1 of this act, any person eighteen years of age or over who violates RCW 69.50.401 by distributing any other controlled substance listed in Schedules I, II, III, IV, and V to a person under eighteen years

of age who is at least three years his or her junior is guilty of a class B felony punishable by the fine authorized by RCW 69.50.401(2) (c), (d), or (e), by a term of imprisonment up to twice that authorized by RCW 69.50.401(2) (c), (d), or (e), or both.

Passed by the House April 22, 2019.

Passed by the Senate April 15, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 380

[Engrossed Substitute House Bill 1794]

AGREEMENTS BY LICENSED MARIJUANA BUSINESSES--INTELLECTUAL PROPERTY

AN ACT Relating to agreements between licensed marijuana businesses and other people and businesses, including royalty and licensing agreements relating to the use of intellectual property; and amending RCW 69.50.395.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 69.50.395 and 2017 c 317 s 16 are each amended to read as follows:

(1) A licensed marijuana business may enter into ~~((a licensing agreement, or consulting contract, with any individual, partnership, employee cooperative, association, nonprofit corporation, or corporation,))~~ an agreement with any person, business, or other entity for:

(a) Any goods or services that are registered as a trademark under federal law ~~((or)),~~ under chapter 19.77 RCW, or under any other state or international trademark law;

(b) Any unregistered trademark, trade name, or trade dress; or

(c) Any trade secret, technology, or proprietary information used to manufacture a cannabis product or used to provide a service related to ~~((a))~~ any marijuana business.

(2) ~~((All))~~ Any agreements ~~((or contracts))~~ entered into by a licensed marijuana business, as authorized under this section, must be disclosed to the state liquor and cannabis board and may include:

(a) A royalty fee or flat rate calculated based on sales of each product that includes the intellectual property or was manufactured or sold using the licensed intellectual property or service, provided that the royalty fee is no greater than an amount equivalent to ten percent of the licensed marijuana business's gross sales derived from the sale of such product;

(b) A flat rate or lump sum calculated based on time or milestones;

(c) Terms giving either party exclusivity or qualified exclusivity as it relates to use of the intellectual property;

(d) Quality control standards as necessary to protect the integrity of the intellectual property;

(e) Enforcement obligations to be undertaken by the licensed marijuana business;

(f) Covenants to use the licensed intellectual property; and

(g) Assignment of licensor improvements of the intellectual property.

(3) A person, business, or entity that enters into an agreement with a licensed marijuana business, where both parties to the agreement are in compliance with the terms of this section, is exempt from the requirement to qualify for a marijuana business license for purposes of the agreements authorized by subsection (1) of this section.

(4) All agreements entered into by a licensed marijuana business, as authorized by this section, are subject to the liquor and cannabis board's recordkeeping requirements as established by rule.

Passed by the House March 7, 2019.

Passed by the Senate April 13, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 381

[Engrossed Second Substitute House Bill 1874]

ADOLESCENT BEHAVIORAL HEALTH CARE--VARIOUS PROVISIONS

AN ACT Relating to implementing policies related to expanding adolescent behavioral health care access as reviewed and recommended by the children's mental health work group; amending RCW 71.34.010, 71.34.020, 71.34.500, 71.34.510, 71.34.520, 71.34.530, 71.34.600, 71.34.610, 71.34.620, 71.34.630, 71.34.640, 71.34.650, 71.34.660, 71.34.700, 71.34.700, 71.34.710, 71.34.710, 70.02.230, 70.02.240, and 74.13.280; adding a new section to chapter 70.02 RCW; adding new sections to chapter 71.34 RCW; creating new sections; providing an effective date; and providing expiration dates.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 71.34.010 and 2018 c 201 s 5001 are each amended to read as follows:

It is the purpose of this chapter to assure that minors in need of mental health care and treatment receive an appropriate continuum of culturally relevant care and treatment, including prevention and early intervention, self-directed care, parent-directed care, and involuntary treatment. To facilitate the continuum of care and treatment to minors in out-of-home placements, all divisions of the authority and the department that provide mental health services to minors shall jointly plan and deliver those services.

It is also the purpose of this chapter to protect the rights of ~~((minors))~~ adolescents to confidentiality and to independently seek services for mental health and substance use disorders. Mental health and chemical dependency professionals shall guard against needless hospitalization and deprivations of liberty ~~((and to))~~, enable treatment decisions to be made in response to clinical needs in accordance with sound professional judgment~~((The mental health care and treatment providers shall))~~, and encourage the use of voluntary services ~~((and))~~. Mental health and chemical dependency professionals shall, whenever clinically appropriate, ~~((the providers shall))~~ offer less restrictive alternatives to inpatient treatment. Additionally, all mental health care and treatment providers shall assure that minors' parents are given an opportunity to participate in the treatment decisions for their minor children. The mental health care and treatment providers shall, to the extent possible, offer services that involve minors' parents or family.

It is also the purpose of this chapter to assure the ability of parents to exercise reasonable, compassionate care and control of their minor children when there is a medical necessity for treatment and without the requirement of filing a petition under this chapter, including the ability to request and receive medically necessary treatment for their adolescent children without the consent of the adolescent.

Sec. 2. RCW 71.34.020 and 2018 c 201 s 5002 are each amended to read as follows:

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

(1) "Alcoholism" means a disease, characterized by a dependency on alcoholic beverages, loss of control over the amount and circumstances of use, symptoms of tolerance, physiological or psychological withdrawal, or both, if use is reduced or discontinued, and impairment of health or disruption of social or economic functioning.

(2) "Approved substance use disorder treatment program" means a program for minors with substance use disorders provided by a treatment program licensed or certified by the department of health as meeting standards adopted under chapter 71.24 RCW.

(3) "Authority" means the Washington state health care authority.

(4) "Chemical dependency" means:

(a) Alcoholism;

(b) Drug addiction; or

(c) Dependence on alcohol and one or more other psychoactive chemicals, as the context requires.

(5) "Chemical dependency professional" means a person certified as a chemical dependency professional by the department of health under chapter 18.205 RCW, or a person certified as a chemical dependency professional trainee under RCW 18.205.095 working under the direct supervision of a certified chemical dependency professional.

(6) "Child psychiatrist" means a person having a license as a physician and surgeon in this state, who has had graduate training in child psychiatry in a program approved by the American Medical Association or the American Osteopathic Association, and who is board eligible or board certified in child psychiatry.

(7) "Children's mental health specialist" means:

(a) A mental health professional who has completed a minimum of one hundred actual hours, not quarter or semester hours, of specialized training devoted to the study of child development and the treatment of children; and

(b) A mental health professional who has the equivalent of one year of full-time experience in the treatment of children under the supervision of a children's mental health specialist.

(8) "Commitment" means a determination by a judge or court commissioner, made after a commitment hearing, that the minor is in need of inpatient diagnosis, evaluation, or treatment or that the minor is in need of less restrictive alternative treatment.

(9) "Department" means the department of social and health services.

(10) "Designated crisis responder" means a person designated by a behavioral health organization to perform the duties specified in this chapter.

(11) "Director" means the director of the authority.

(12) "Drug addiction" means a disease, characterized by a dependency on psychoactive chemicals, loss of control over the amount and circumstances of use, symptoms of tolerance, physiological or psychological withdrawal, or both, if use is reduced or discontinued, and impairment of health or disruption of social or economic functioning.

(13) "Evaluation and treatment facility" means a public or private facility or unit that is licensed or certified by the department of health to provide emergency, inpatient, residential, or outpatient mental health evaluation and treatment services for minors. A physically separate and separately-operated portion of a state hospital may be designated as an evaluation and treatment facility for minors. A facility which is part of or operated by the state or federal agency does not require licensure or certification. No correctional institution or facility, juvenile court detention facility, or jail may be an evaluation and treatment facility within the meaning of this chapter.

(14) "Evaluation and treatment program" means the total system of services and facilities coordinated and approved by a county or combination of counties for the evaluation and treatment of minors under this chapter.

(15) "Gravely disabled minor" means a minor who, as a result of a mental disorder, or as a result of the use of alcohol or other psychoactive chemicals, is in danger of serious physical harm resulting from a failure to provide for his or her essential human needs of health or safety, or manifests severe deterioration in routine functioning evidenced by repeated and escalating loss of cognitive or volitional control over his or her actions and is not receiving such care as is essential for his or her health or safety.

(16) "Inpatient treatment" means twenty-four-hour-per-day mental health care provided within a general hospital, psychiatric hospital, residential treatment facility licensed or certified by the department of health as an evaluation and treatment facility for minors, secure detoxification facility for minors, or approved substance use disorder treatment program for minors.

(17) "Intoxicated minor" means a minor whose mental or physical functioning is substantially impaired as a result of the use of alcohol or other psychoactive chemicals.

(18) "Less restrictive alternative" or "less restrictive setting" means outpatient treatment provided to a minor who is not residing in a facility providing inpatient treatment as defined in this chapter.

(19) "Likelihood of serious harm" means either: (a) A substantial risk that physical harm will be inflicted by an individual upon his or her own person, as evidenced by threats or attempts to commit suicide or inflict physical harm on oneself; (b) a substantial risk that physical harm will be inflicted by an individual upon another, as evidenced by behavior which has caused such harm or which places another person or persons in reasonable fear of sustaining such harm; or (c) a substantial risk that physical harm will be inflicted by an individual upon the property of others, as evidenced by behavior which has caused substantial loss or damage to the property of others.

(20) "Medical necessity" for inpatient care means a requested service which is reasonably calculated to: (a) Diagnose, correct, cure, or alleviate a mental disorder or substance use disorder; or (b) prevent the progression of a substance use disorder that endangers life or causes suffering and pain, or results in illness

or infirmity or threatens to cause or aggravate a handicap, or causes physical deformity or malfunction, and there is no adequate less restrictive alternative available.

(21) "Mental disorder" means any organic, mental, or emotional impairment that has substantial adverse effects on an individual's cognitive or volitional functions. The presence of alcohol abuse, drug abuse, juvenile criminal history, antisocial behavior, or intellectual disabilities alone is insufficient to justify a finding of "mental disorder" within the meaning of this section.

(22) "Mental health professional" means a psychiatrist, psychiatric advanced registered nurse practitioner, physician assistant working with a supervising psychiatrist, psychologist, psychiatric nurse, ~~((or))~~ social worker, and such other mental health professionals as ~~((may be))~~ defined by rules adopted by the secretary of the department of health under this chapter.

(23) "Minor" means any person under the age of eighteen years.

(24) "Outpatient treatment" means any of the nonresidential services mandated under chapter 71.24 RCW and provided by licensed or certified service providers as identified by RCW 71.24.025.

(25)(a) "Parent" ~~((means:~~

~~(a) A biological or adoptive parent who has legal custody of the child)) has the same meaning as defined in RCW 26.26A.010, including either parent if custody is shared under a joint custody agreement((;)), or ((b)) a person or agency judicially appointed as legal guardian or custodian of the child.~~

(b) For purposes of family-initiated treatment under RCW 71.34.600 through 71.34.670, "parent" also includes a person to whom a parent defined in (a) of this subsection has given a signed authorization to make health care decisions for the adolescent, a stepparent who is involved in caring for the adolescent, a kinship caregiver who is involved in caring for the adolescent, or another relative who is responsible for the health care of the adolescent, who may be required to provide a declaration under penalty of perjury stating that he or she is a relative responsible for the health care of the adolescent pursuant to RCW 9A.72.085. If a dispute arises between individuals authorized to act as a parent for the purpose of RCW 71.34.600 through 71.34.670, the disagreement must be resolved according to the priority established under RCW 7.70.065(2)(a).

(26) "Private agency" means any person, partnership, corporation, or association that is not a public agency, whether or not financed in whole or in part by public funds, that constitutes an evaluation and treatment facility or private institution, or hospital, or approved substance use disorder treatment program, that is conducted for, or includes a distinct unit, floor, or ward conducted for, the care and treatment of persons with mental illness, substance use disorders, or both mental illness and substance use disorders.

(27) "Physician assistant" means a person licensed as a physician assistant under chapter 18.57A or 18.71A RCW.

(28) "Professional person in charge" or "professional person" means a physician, other mental health professional, or other person empowered by an evaluation and treatment facility, secure detoxification facility, or approved substance use disorder treatment program with authority to make admission and discharge decisions on behalf of that facility.

(29) "Psychiatric nurse" means a registered nurse who has experience in the direct treatment of persons who have a mental illness or who are emotionally disturbed, such experience gained under the supervision of a mental health professional.

(30) "Psychiatrist" means a person having a license as a physician in this state who has completed residency training in psychiatry in a program approved by the American Medical Association or the American Osteopathic Association, and is board eligible or board certified in psychiatry.

(31) "Psychologist" means a person licensed as a psychologist under chapter 18.83 RCW.

(32) "Public agency" means any evaluation and treatment facility or institution, or hospital, or approved substance use disorder treatment program that is conducted for, or includes a distinct unit, floor, or ward conducted for, the care and treatment of persons with mental illness, substance use disorders, or both mental illness and substance use disorders if the agency is operated directly by federal, state, county, or municipal government, or a combination of such governments.

(33) "Responsible other" means the minor, the minor's parent or estate, or any other person legally responsible for support of the minor.

(34) "Secretary" means the secretary of the department or secretary's designee.

(35) "Secure detoxification facility" means a facility operated by either a public or private agency or by the program of an agency that:

(a) Provides for intoxicated minors:

(i) Evaluation and assessment, provided by certified chemical dependency professionals;

(ii) Acute or subacute detoxification services; and

(iii) Discharge assistance provided by certified chemical dependency professionals, including facilitating transitions to appropriate voluntary or involuntary inpatient services or to less restrictive alternatives as appropriate for the minor;

(b) Includes security measures sufficient to protect the patients, staff, and community; and

(c) Is licensed or certified as such by the department of health.

(36) "Social worker" means a person with a master's or further advanced degree from a social work educational program accredited and approved as provided in RCW 18.320.010.

(37) "Start of initial detention" means the time of arrival of the minor at the first evaluation and treatment facility, secure detoxification facility, or approved substance use disorder treatment program offering inpatient treatment if the minor is being involuntarily detained at the time. With regard to voluntary patients, "start of initial detention" means the time at which the minor gives notice of intent to leave under the provisions of this chapter.

(38) "Substance use disorder" means a cluster of cognitive, behavioral, and physiological symptoms indicating that an individual continues using the substance despite significant substance-related problems. The diagnosis of a substance use disorder is based on a pathological pattern of behaviors related to the use of the substances.

(39) "Adolescent" means a minor thirteen years of age or older.

(40) "Kinship caregiver" has the same meaning as in RCW 74.13.031(19)(a).

Sec. 3. RCW 71.34.500 and 2016 sp.s. c 29 s 261 are each amended to read as follows:

(1) ~~((A minor thirteen years or older))~~ An adolescent may admit himself or herself to an evaluation and treatment facility for inpatient mental health treatment or an approved substance use disorder treatment program for inpatient substance use disorder treatment without parental consent. The admission shall occur only if the professional person in charge of the facility concurs with the need for inpatient treatment. Parental authorization, or authorization from a person who may consent on behalf of the minor pursuant to RCW 7.70.065, is required for inpatient treatment of a minor under the age of thirteen.

(2) When, in the judgment of the professional person in charge of an evaluation and treatment facility or approved substance use disorder treatment program, there is reason to believe that a minor is in need of inpatient treatment because of a mental disorder or substance use disorder, and the facility provides the type of evaluation and treatment needed by the minor, and it is not feasible to treat the minor in any less restrictive setting or the minor's home, the minor may be admitted to the facility.

(3) Written renewal of voluntary consent must be obtained from the applicant no less than once every twelve months. The minor's need for continued inpatient treatments shall be reviewed and documented no less than every one hundred eighty days.

Sec. 4. RCW 71.34.510 and 1998 c 296 s 15 are each amended to read as follows:

(1) ~~The ((administrator)) professional person in charge of ((the)) an evaluation and treatment facility shall provide notice to the parent((s)) of ((a minor)) an adolescent when the ((minor)) adolescent is voluntarily admitted to inpatient treatment under RCW 71.34.500 solely for mental health treatment and not for substance use disorder treatment, unless the professional person has a compelling reason to believe that such disclosure would be detrimental to the adolescent or contact cannot be made, in which case the professional person must document the reasons in the adolescent's medical record.~~

(2) The professional person in charge of an evaluation and treatment facility or an approved substance use disorder treatment program shall provide notice to the parent of an adolescent voluntarily admitted to inpatient treatment under RCW 71.34.500 for substance use disorder treatment only if: (a) The adolescent provides written consent to the disclosure of the fact of admission and such other substance use disorder treatment information in the notice; or (b) permitted by federal law.

(3) If the professional person withholds notice to a parent under subsection (1) of this section, or such notice cannot be provided, the professional person in charge of the facility must consult the information that the Washington state patrol makes publicly available under RCW 43.43.510(2) at least once every eight hours for the first seventy-two hours of treatment and once every twenty-four hours thereafter while the adolescent continues to receive inpatient services and until the time that the professional person contacts a parent of the adolescent. If the adolescent is publicly listed as missing, the professional person

must immediately notify the department of children, youth, and families of its contact with the youth listed as missing. The notification must include a description of the adolescent's physical and emotional condition.

(4) The notice required under subsections (1) and (2) of this section shall be in the form most likely to reach the parent within twenty-four hours of the ~~((minor's))~~ adolescent's voluntary admission and shall advise the parent: ~~((1))~~ (a) That the ~~((minor))~~ adolescent has been admitted to inpatient treatment; ~~((2))~~ (b) of the location and telephone number of the facility providing such treatment; ~~((3))~~ (c) of the name of a professional person on the staff of the facility providing treatment who is designated to discuss the ~~((minor's))~~ adolescent's need for inpatient treatment with the parent; and ~~((4))~~ (d) of the medical necessity for admission. Notification efforts under subsections (1) and (2) of this section shall begin as soon as reasonably practicable, considering the adolescent's immediate medical needs.

Sec. 5. RCW 71.34.520 and 2016 sp.s. c 29 s 262 are each amended to read as follows:

(1) Any ~~((minor thirteen years or older))~~ adolescent voluntarily admitted to an evaluation and treatment facility or approved substance use disorder treatment program under RCW 71.34.500 may give notice of intent to leave at any time. The notice need not follow any specific form so long as it is written and the intent of the ~~((minor))~~ adolescent can be discerned.

(2) The staff member receiving the notice shall date it immediately~~((; and send))~~ and record its existence in the ~~((minor's))~~ adolescent's clinical record~~((; and send))~~.

(a) If the evaluation and treatment facility is providing the adolescent solely with mental health treatment and not substance use disorder treatment, copies of ((#)) the notice must be sent to the ((minor's)) adolescent's attorney, if any, the designated crisis responders, and the parent.

(b) If the evaluation and treatment facility or substance use disorder treatment program is providing the adolescent with substance use disorder treatment, copies of the notice must be sent to the adolescent's attorney, if any, the designated crisis responders, and the parent only if: (i) The adolescent provides written consent to the disclosure of the adolescent's notice of intent to leave and such other substance use disorder information; or (ii) permitted by federal law.

(3) The professional person shall discharge the ~~((minor, thirteen years or older,))~~ adolescent from the facility by the second judicial day following receipt of the ~~((minor's))~~ adolescent's notice of intent to leave.

Sec. 6. RCW 71.34.530 and 2006 c 93 s 4 are each amended to read as follows:

Any ~~((minor thirteen years or older))~~ adolescent may request and receive outpatient treatment without the consent of the ~~((minor's))~~ adolescent's parent. Parental authorization, or authorization from a person who may consent on behalf of the minor pursuant to RCW 7.70.065, is required for outpatient treatment of a minor under the age of thirteen.

Sec. 7. RCW 71.34.600 and 2018 c 201 s 5013 are each amended to read as follows:

(1) A parent may bring, or authorize the bringing of, his or her ~~((minor))~~ adolescent child to:

(a) An evaluation and treatment facility or an inpatient facility licensed under chapter 70.41, 71.12, or 72.23 RCW and request that the professional person examine the ~~((minor))~~ adolescent to determine whether the ~~((minor))~~ adolescent has a mental disorder and is in need of inpatient treatment; or

(b) A secure detoxification facility or approved substance use disorder treatment program and request that a substance use disorder assessment be conducted by a professional person to determine whether the ~~((minor))~~ adolescent has a substance use disorder and is in need of inpatient treatment.

(2) The consent of the ~~((minor))~~ adolescent is not required for admission, evaluation, and treatment if ~~((the parent brings the minor to the facility))~~ a parent provides consent.

(3) An appropriately trained professional person may evaluate whether the ~~((minor))~~ adolescent has a mental disorder or has a substance use disorder. The evaluation shall be completed within twenty-four hours of the time the ~~((minor))~~ adolescent was brought to the facility, unless the professional person determines that the condition of the ~~((minor))~~ adolescent necessitates additional time for evaluation. In no event shall ~~((a-minor))~~ an adolescent be held longer than seventy-two hours for evaluation. If, in the judgment of the professional person, it is determined it is a medical necessity for the ~~((minor))~~ adolescent to receive inpatient treatment, the ~~((minor))~~ adolescent may be held for treatment. The facility shall limit treatment to that which the professional person determines is medically necessary to stabilize the ~~((minor's))~~ adolescent's condition until the evaluation has been completed. Within twenty-four hours of completion of the evaluation, the professional person shall notify the authority if the ~~((child))~~ adolescent is held solely for mental health and not substance use disorder treatment and of the date of admission. If the adolescent is held for substance use disorder treatment only, the professional person shall provide notice to the authority which redacts all patient identifying information about the adolescent unless: (a) The adolescent provides written consent to the disclosure of the fact of admission and such other substance use disorder treatment information in the notice; or (b) permitted by federal law.

(4) No provider is obligated to provide treatment to ~~((a-minor))~~ an adolescent under the provisions of this section except that no provider may refuse to treat ~~((a-minor))~~ an adolescent under the provisions of this section solely on the basis that the ~~((minor))~~ adolescent has not consented to the treatment. No provider may admit ~~((a-minor))~~ an adolescent to treatment under this section unless it is medically necessary.

(5) No ~~((minor))~~ adolescent receiving inpatient treatment under this section may be discharged from the facility based solely on his or her request.

(6) Prior to the review conducted under RCW 71.34.610, the professional person shall notify the ~~((minor))~~ adolescent of his or her right to petition superior court for release from the facility.

(7) For the purposes of this section "professional person" means "professional person" as defined in RCW 71.05.020.

Sec. 8. RCW 71.34.610 and 2018 c 201 s 5014 are each amended to read as follows:

(1) The authority shall assure that, for any ~~((minor))~~ adolescent admitted to inpatient treatment under RCW 71.34.600, a review is conducted by a physician or other mental health professional who is employed by the authority, or an

agency under contract with the authority, and who neither has a financial interest in continued inpatient treatment of the ~~((minor))~~ adolescent nor is affiliated with the facility providing the treatment. The physician or other mental health professional shall conduct the review not less than seven nor more than fourteen days following the date the ~~((minor))~~ adolescent was brought to the facility under RCW 71.34.600 to determine whether it is a medical necessity to continue the ~~((minor's))~~ adolescent's treatment on an inpatient basis.

(2) In making a determination under subsection (1) of this section, the authority shall consider the opinion of the treatment provider, the safety of the ~~((minor))~~ adolescent, and the likelihood the ~~((minor's))~~ adolescent's mental health will deteriorate if released from inpatient treatment. The authority shall consult with the parent in advance of making its determination.

(3) If, after any review conducted by the authority under this section, the authority determines it is no longer a medical necessity for ~~((a minor))~~ an adolescent to receive inpatient treatment, the authority shall immediately notify the parents and the facility. The facility shall release the ~~((minor))~~ adolescent to the parents within twenty-four hours of receiving notice. If the professional person in charge and the parent believe that it is a medical necessity for the ~~((minor))~~ adolescent to remain in inpatient treatment, the ~~((minor))~~ adolescent shall be released to the parent on the second judicial day following the authority's determination in order to allow the parent time to file an at-risk youth petition under chapter 13.32A RCW. If the authority determines it is a medical necessity for the ~~((minor))~~ adolescent to receive outpatient treatment and the ~~((minor))~~ adolescent declines to obtain such treatment, such refusal shall be grounds for the parent to file an at-risk youth petition.

(4) If the evaluation conducted under RCW 71.34.600 is done by the authority, the reviews required by subsection (1) of this section shall be done by contract with an independent agency.

(5) The authority may, subject to available funds, contract with other governmental agencies to conduct the reviews under this section. The authority may seek reimbursement from the parents, their insurance, or medicaid for the expense of any review conducted by an agency under contract.

(6) In addition to the review required under this section, the authority may periodically determine and redetermine the medical necessity of treatment for purposes of payment with public funds.

Sec. 9. RCW 71.34.620 and 1998 c 296 s 19 are each amended to read as follows:

Following the review conducted under RCW 71.34.610, ~~((a minor child))~~ an adolescent may petition the superior court for his or her release from the facility. The petition may be filed not sooner than five days following the review. The court shall release the ~~((minor))~~ adolescent unless it finds, upon a preponderance of the evidence, that it is a medical necessity for the ~~((minor))~~ adolescent to remain at the facility.

Sec. 10. RCW 71.34.630 and 2018 c 201 s 5015 are each amended to read as follows:

If the ~~((minor))~~ adolescent is not released as a result of the petition filed under RCW 71.34.620, he or she shall be released not later than thirty days following the later of: (1) The date of the authority's determination under RCW

71.34.610(2); or (2) the filing of a petition for judicial review under RCW 71.34.620, unless a professional person or the designated crisis responder initiates proceedings under this chapter.

Sec. 11. RCW 71.34.640 and 2018 c 201 s 5016 are each amended to read as follows:

The authority shall randomly select and review the information on ~~((children))~~ adolescents who are admitted to inpatient treatment on application of the ~~((child's))~~ adolescent's parent regardless of the source of payment, if any, subject to the limitations under RCW 71.34.600(3). The review shall determine whether the ~~((children))~~ adolescents reviewed were appropriately admitted into treatment based on an objective evaluation of the ~~((child's))~~ adolescent's condition and the outcome of the ~~((child's))~~ adolescent's treatment.

Sec. 12. RCW 71.34.650 and 2016 sp.s. c 29 s 265 are each amended to read as follows:

(1) A parent may bring, or authorize the bringing of, his or her ~~((minor))~~ adolescent child to:

(a) A provider of outpatient mental health treatment and request that an appropriately trained professional person examine the ~~((minor))~~ adolescent to determine whether the ~~((minor))~~ adolescent has a mental disorder and is in need of outpatient treatment; or

(b) A provider of outpatient substance use disorder treatment and request that an appropriately trained professional person examine the ~~((minor))~~ adolescent to determine whether the ~~((minor))~~ adolescent has a substance use disorder and is in need of outpatient treatment.

(2) The consent of the ~~((minor))~~ adolescent is not required for evaluation if ~~((the parent brings the minor to the provider))~~ a parent provides consent.

(3) The professional person may evaluate whether the ~~((minor))~~ adolescent has a mental disorder or substance use disorder and is in need of outpatient treatment.

(4) If a determination is made by a professional person under this section that an adolescent is in need of outpatient mental health or substance use disorder treatment, a parent of an adolescent may request and receive such outpatient treatment for his or her adolescent without the consent of the adolescent for up to twelve outpatient sessions occurring within a three-month period.

(5) Following the treatment periods under subsection (4) of this section, an adolescent must provide his or her consent for further treatment with that specific professional person.

(6) If a determination is made by a professional person under this section that an adolescent is in need of treatment in a less restrictive setting, including partial hospitalization or intensive outpatient treatment, a parent of an adolescent may request and receive such treatment for his or her adolescent without the consent of the adolescent.

(a) A professional person providing solely mental health treatment to an adolescent under this subsection (6) must convene a treatment review at least every thirty days after treatment begins that includes the adolescent, parent, and other treatment team members as appropriate to determine whether continued care under this subsection is medically necessary.

(b) A professional person providing solely mental health treatment to an adolescent under this subsection (6) shall provide notification of the adolescent's treatment to an independent reviewer at the authority within twenty-four hours of the adolescent's first receipt of treatment under this subsection. At least every forty-five days after the adolescent's first receipt of treatment under this subsection, the authority shall conduct a review to determine whether the current level of treatment is medically necessary.

(c) A professional person providing substance use disorder treatment under this subsection (6) shall convene a treatment review under (a) of this subsection and provide the notification of the adolescent's receipt of treatment to an independent reviewer at the authority as described in (b) of this subsection only if: (i) The adolescent provides written consent to the disclosure of substance use disorder treatment information including the fact of his or her receipt of such treatment; or (ii) permitted by federal law.

(7) Any ((minor)) adolescent admitted to inpatient treatment under RCW 71.34.500 or 71.34.600 shall be discharged immediately from inpatient treatment upon written request of the parent.

Sec. 13. RCW 71.34.660 and 2016 sp.s. c 29 s 266 are each amended to read as follows:

((A minor child)) An adolescent shall have no cause of action against an evaluation and treatment facility, secure detoxification facility, approved substance use disorder treatment program, inpatient facility, or provider of outpatient mental health treatment or outpatient substance use disorder treatment for admitting or accepting the ((minor)) adolescent in good faith for evaluation or treatment under RCW 71.34.600 or 71.34.650 based solely upon the fact that the ((minor)) adolescent did not consent to evaluation or treatment if the ((minor's)) adolescent's parent has consented to the evaluation or treatment.

Sec. 14. RCW 71.34.700 and 2016 sp.s. c 29 s 267 are each amended to read as follows:

(1) If ((a minor, thirteen years or older,)) an adolescent is brought to an evaluation and treatment facility or hospital emergency room for immediate mental health services, the professional person in charge of the facility shall evaluate the ((minor's)) adolescent's mental condition, determine whether the ((minor)) adolescent suffers from a mental disorder, and whether the ((minor)) adolescent is in need of immediate inpatient treatment.

(2) If ((a minor, thirteen years or older,)) an adolescent is brought to a secure detoxification facility with available space, or a hospital emergency room for immediate substance use disorder treatment, the professional person in charge of the facility shall evaluate the ((minor's)) adolescent's condition, determine whether the ((minor)) adolescent suffers from a substance use disorder, and whether the ((minor)) adolescent is in need of immediate inpatient treatment.

(3) If it is determined under subsection (1) or (2) of this section that the ((minor)) adolescent suffers from a mental disorder or substance use disorder, inpatient treatment is required, the ((minor)) adolescent is unwilling to consent to voluntary admission, and the professional person believes that the ((minor)) adolescent meets the criteria for initial detention set forth herein, the facility may detain or arrange for the detention of the ((minor)) adolescent for up to twelve

hours in order to enable a designated crisis responder to evaluate the ~~((minor))~~ adolescent and commence initial detention proceedings under the provisions of this chapter.

Sec. 15. RCW 71.34.700 and 2016 sp.s. c 29 s 268 are each amended to read as follows:

(1) If ~~((a minor, thirteen years or older,))~~ an adolescent is brought to an evaluation and treatment facility or hospital emergency room for immediate mental health services, the professional person in charge of the facility shall evaluate the ~~((minor's))~~ adolescent's mental condition, determine whether the ~~((minor))~~ adolescent suffers from a mental disorder, and whether the ~~((minor))~~ adolescent is in need of immediate inpatient treatment.

(2) If ~~((a minor, thirteen years or older,))~~ an adolescent is brought to a secure detoxification facility or a hospital emergency room for immediate substance use disorder treatment, the professional person in charge of the facility shall evaluate the ~~((minor's))~~ adolescent's condition, determine whether the ~~((minor))~~ adolescent suffers from a substance use disorder, and whether the ~~((minor))~~ adolescent is in need of immediate inpatient treatment.

(3) If it is determined under subsection (1) or (2) of this section that the ~~((minor))~~ adolescent suffers from a mental disorder or substance use disorder, inpatient treatment is required, the ~~((minor))~~ adolescent is unwilling to consent to voluntary admission, and the professional person believes that the ~~((minor))~~ adolescent meets the criteria for initial detention set forth herein, the facility may detain or arrange for the detention of the ~~((minor))~~ adolescent for up to twelve hours in order to enable a designated crisis responder to evaluate the ~~((minor))~~ adolescent and commence initial detention proceedings under the provisions of this chapter.

Sec. 16. RCW 71.34.710 and 2016 sp.s. c 29 s 269 are each amended to read as follows:

(1)(a)(i) When a designated crisis responder receives information that ~~((a minor, thirteen years or older,))~~ an adolescent as a result of a mental disorder presents a likelihood of serious harm or is gravely disabled, has investigated the specific facts alleged and of the credibility of the person or persons providing the information, and has determined that voluntary admission for inpatient treatment is not possible, the designated crisis responder may take the ~~((minor))~~ adolescent, or cause the ~~((minor))~~ adolescent to be taken, into custody and transported to an evaluation and treatment facility providing inpatient treatment.

(ii) When a designated crisis responder receives information that ~~((a minor, thirteen years or older,))~~ an adolescent as a result of a substance use disorder presents a likelihood of serious harm or is gravely disabled, has investigated the specific facts alleged and of the credibility of the person or persons providing the information, and has determined that voluntary admission for inpatient treatment is not possible, the designated crisis responder may take the ~~((minor))~~ adolescent, or cause the ~~((minor))~~ adolescent to be taken, into custody and transported to a secure detoxification facility or approved substance use disorder treatment program, if a secure detoxification facility or approved substance use disorder treatment program is available and has adequate space for the ~~((minor))~~ adolescent.

(b) If the ~~((minor))~~ adolescent is not taken into custody for evaluation and treatment, the parent who has custody of the ~~((minor))~~ adolescent may seek review of that decision made by the designated crisis responder in court. The parent shall file notice with the court and provide a copy of the designated crisis responder's report or notes.

(2) Within twelve hours of the ~~((minor's))~~ adolescent's arrival at the evaluation and treatment facility, secure detoxification facility, or approved substance use disorder treatment program, the designated crisis responder shall serve on the ~~((minor))~~ adolescent a copy of the petition for initial detention, notice of initial detention, and statement of rights. The designated crisis responder shall file with the court on the next judicial day following the initial detention the original petition for initial detention, notice of initial detention, and statement of rights along with an affidavit of service. The designated crisis responder shall commence service of the petition for initial detention and notice of the initial detention on the ~~((minor's))~~ adolescent's parent and the ~~((minor's))~~ adolescent's attorney as soon as possible following the initial detention.

(3) At the time of initial detention, the designated crisis responder shall advise the ~~((minor))~~ adolescent both orally and in writing that if admitted to the evaluation and treatment facility, secure detoxification facility, or approved substance use disorder treatment program for inpatient treatment, a commitment hearing shall be held within seventy-two hours of the ~~((minor's))~~ adolescent's provisional acceptance to determine whether probable cause exists to commit the ~~((minor))~~ adolescent for further treatment.

The ~~((minor))~~ adolescent shall be advised that he or she has a right to communicate immediately with an attorney and that he or she has a right to have an attorney appointed to represent him or her before and at the hearing if the ~~((minor))~~ adolescent is indigent.

(4) Subject to subsection (5) of this section, whenever the designated crisis responder petitions for detention of ~~((a minor))~~ an adolescent under this chapter, an evaluation and treatment facility, secure detoxification facility, or approved substance use disorder treatment program providing seventy-two hour evaluation and treatment must immediately accept on a provisional basis the petition and the person. Within twenty-four hours of the ~~((minor's))~~ adolescent's arrival, the facility must evaluate the ~~((minor's))~~ adolescent's condition and either admit or release the ~~((minor))~~ adolescent in accordance with this chapter.

(5) A designated crisis responder may not petition for detention of ~~((a minor))~~ an adolescent to a secure detoxification facility or approved substance use disorder treatment program unless there is a secure detoxification facility or approved substance use disorder treatment program available and that has adequate space for the ~~((minor))~~ adolescent.

(6) If ~~((a minor))~~ an adolescent is not approved for admission by the inpatient evaluation and treatment facility, secure detoxification facility, or approved substance use disorder treatment program, the facility shall make such recommendations and referrals for further care and treatment of the ~~((minor))~~ adolescent as necessary.

Sec. 17. RCW 71.34.710 and 2016 sp.s. c 29 s 270 are each amended to read as follows:

(1)(a)(i) When a designated crisis responder receives information that ~~((a minor, thirteen years or older,))~~ an adolescent as a result of a mental disorder

presents a likelihood of serious harm or is gravely disabled, has investigated the specific facts alleged and of the credibility of the person or persons providing the information, and has determined that voluntary admission for inpatient treatment is not possible, the designated crisis responder may take the ((~~minor~~)) adolescent, or cause the ((~~minor~~)) adolescent to be taken, into custody and transported to an evaluation and treatment facility providing inpatient treatment.

(ii) When a designated crisis responder receives information that ((~~a minor, thirteen years or older,~~)) an adolescent as a result of a substance use disorder presents a likelihood of serious harm or is gravely disabled, has investigated the specific facts alleged and of the credibility of the person or persons providing the information, and has determined that voluntary admission for inpatient treatment is not possible, the designated crisis responder may take the ((~~minor~~)) adolescent, or cause the ((~~minor~~)) adolescent to be taken, into custody and transported to a secure detoxification facility or approved substance use disorder treatment program.

(b) If the ((~~minor~~)) adolescent is not taken into custody for evaluation and treatment, the parent who has custody of the ((~~minor~~)) adolescent may seek review of that decision made by the designated crisis responder in court. The parent shall file notice with the court and provide a copy of the designated crisis responder's report or notes.

(2) Within twelve hours of the ((~~minor's~~)) adolescent's arrival at the evaluation and treatment facility, secure detoxification facility, or approved substance use disorder treatment program, the designated crisis responder shall serve on the ((~~minor~~)) adolescent a copy of the petition for initial detention, notice of initial detention, and statement of rights. The designated crisis responder shall file with the court on the next judicial day following the initial detention the original petition for initial detention, notice of initial detention, and statement of rights along with an affidavit of service. The designated crisis responder shall commence service of the petition for initial detention and notice of the initial detention on the ((~~minor's~~)) adolescent's parent and the ((~~minor's~~)) adolescent's attorney as soon as possible following the initial detention.

(3) At the time of initial detention, the designated crisis responder shall advise the ((~~minor~~)) adolescent both orally and in writing that if admitted to the evaluation and treatment facility, secure detoxification facility, or approved substance use disorder treatment program for inpatient treatment, a commitment hearing shall be held within seventy-two hours of the ((~~minor's~~)) adolescent's provisional acceptance to determine whether probable cause exists to commit the ((~~minor~~)) adolescent for further treatment.

The ((~~minor~~)) adolescent shall be advised that he or she has a right to communicate immediately with an attorney and that he or she has a right to have an attorney appointed to represent him or her before and at the hearing if the ((~~minor~~)) adolescent is indigent.

(4) Whenever the designated crisis responder petitions for detention of ((~~a minor~~)) an adolescent under this chapter, an evaluation and treatment facility, secure detoxification facility, or approved substance use disorder treatment program providing seventy-two hour evaluation and treatment must immediately accept on a provisional basis the petition and the person. Within twenty-four hours of the ((~~minor's~~)) adolescent's arrival, the facility must evaluate the

~~((minor's))~~ adolescent's condition and either admit or release the ~~((minor))~~ adolescent in accordance with this chapter.

(5) If ~~((a minor))~~ an adolescent is not approved for admission by the inpatient evaluation and treatment facility, secure detoxification facility, or approved substance use disorder treatment program, the facility shall make such recommendations and referrals for further care and treatment of the ~~((minor))~~ adolescent as necessary.

NEW SECTION. Sec. 18. A new section is added to chapter 70.02 RCW to read as follows:

(1)(a) When an adolescent voluntarily consents to his or her own mental health treatment under RCW 71.34.500 or 71.34.530, a mental health professional shall not proactively exercise his or her discretion under RCW 70.02.240 to release information or records related to solely mental health services received by the adolescent to a parent of the adolescent, beyond any notification required under RCW 71.34.510, unless the adolescent states a clear desire to do so which is documented by the mental health professional, except in situations concerning an imminent threat to the health and safety of the adolescent or others, or as otherwise may be required by law.

(b) In the event a mental health professional discloses information or releases records, or both, that relate solely to mental health services of an adolescent, to a parent pursuant to RCW 70.02.240(3), the mental health professional must provide notice of this disclosure to the adolescent and the adolescent must have a reasonable opportunity to express any concerns about this disclosure to the mental health professional prior to the disclosure of the information or records related solely to mental health services. The mental health professional shall document any objections to disclosure in the adolescent's medical record if the mental health professional subsequently discloses information or records related solely to mental health services over the objection of the adolescent.

(2) When an adolescent receives a mental health evaluation or treatment at the direction of a parent under RCW 71.34.600 through 71.34.670, the mental health professional is encouraged to exercise his or her discretion under RCW 70.02.240 to proactively release to the parent such information and records related to solely mental health services received by the adolescent, excluding psychotherapy notes, that are necessary to assist the parent in understanding the nature of the evaluation or treatment and in supporting their child. Such information includes:

- (a) Diagnosis;
- (b) Treatment plan and progress in treatment;
- (c) Recommended medications, including risks, benefits, side effects, typical efficacy, dose, and schedule;
- (d) Psychoeducation about the child's mental health;
- (e) Referrals to community resources;
- (f) Coaching on parenting or behavioral management strategies; and
- (g) Crisis prevention planning and safety planning.

(3) If, after receiving a request from a parent for release of mental health treatment information relating to an adolescent, the mental health professional determines that disclosure of information or records related solely to mental health services pursuant to RCW 70.02.240(3) would be detrimental to the

adolescent and declines to disclose such information or records, the mental health professional shall document the reasons for the lack of disclosure in the adolescent's medical record.

(4) Information or records about an adolescent's substance use disorder evaluation or treatment may be provided to a parent without the written consent of the adolescent only if permitted by federal law. A mental health professional or chemical dependency professional providing substance use disorder evaluation or treatment to an adolescent may seek the written consent of the adolescent to provide substance use disorder treatment information or records to a parent when the mental health professional or chemical dependency professional determines that both seeking the written consent and sharing the substance use disorder treatment information or records of the adolescent would not be detrimental to the adolescent.

(5) A mental health professional providing inpatient or outpatient mental health evaluation or treatment is not civilly liable for the decision to disclose information or records related to solely mental health services or not disclose such information or records so long as the decision was reached in good faith and without gross negligence.

(6) A chemical dependency professional or mental health professional providing inpatient or outpatient substance use disorder evaluation or treatment is not civilly liable for the decision to disclose information or records related to substance use disorder treatment information with the written consent of the adolescent or to not disclose such information or records to a parent without an adolescent's consent pursuant to this section so long as the decision was reached in good faith and without gross negligence.

(7) For purposes of this section, "adolescent" means a minor thirteen years of age or older.

Sec. 19. RCW 70.02.230 and 2018 c 201 s 8002 are each amended to read as follows:

(1) Except as provided in this section, RCW 70.02.050, 71.05.445, 74.09.295, 70.02.210, 70.02.240, 70.02.250, ~~((and))~~ 70.02.260, and section 18 of this act, or pursuant to a valid authorization under RCW 70.02.030, the fact of admission to a provider for mental health services and all information and records compiled, obtained, or maintained in the course of providing mental health services to either voluntary or involuntary recipients of services at public or private agencies must be confidential.

(2) Information and records related to mental health services, other than those obtained through treatment under chapter 71.34 RCW, may be disclosed only:

(a) In communications between qualified professional persons to meet the requirements of chapter 71.05 RCW, in the provision of services or appropriate referrals, or in the course of guardianship proceedings if provided to a professional person:

- (i) Employed by the facility;
- (ii) Who has medical responsibility for the patient's care;
- (iii) Who is a designated crisis responder;
- (iv) Who is providing services under chapter 71.24 RCW;
- (v) Who is employed by a state or local correctional facility where the person is confined or supervised; or

(vi) Who is providing evaluation, treatment, or follow-up services under chapter 10.77 RCW;

(b) When the communications regard the special needs of a patient and the necessary circumstances giving rise to such needs and the disclosure is made by a facility providing services to the operator of a facility in which the patient resides or will reside;

(c)(i) When the person receiving services, or his or her guardian, designates persons to whom information or records may be released, or if the person is a minor, when his or her parents make such a designation;

(ii) A public or private agency shall release to a person's next of kin, attorney, personal representative, guardian, or conservator, if any:

(A) The information that the person is presently a patient in the facility or that the person is seriously physically ill;

(B) A statement evaluating the mental and physical condition of the patient, and a statement of the probable duration of the patient's confinement, if such information is requested by the next of kin, attorney, personal representative, guardian, or conservator; and

(iii) Other information requested by the next of kin or attorney as may be necessary to decide whether or not proceedings should be instituted to appoint a guardian or conservator;

(d)(i) To the courts as necessary to the administration of chapter 71.05 RCW or to a court ordering an evaluation or treatment under chapter 10.77 RCW solely for the purpose of preventing the entry of any evaluation or treatment order that is inconsistent with any order entered under chapter 71.05 RCW.

(ii) To a court or its designee in which a motion under chapter 10.77 RCW has been made for involuntary medication of a defendant for the purpose of competency restoration.

(iii) Disclosure under this subsection is mandatory for the purpose of the federal health insurance portability and accountability act;

(e)(i) When a mental health professional or designated crisis responder is requested by a representative of a law enforcement or corrections agency, including a police officer, sheriff, community corrections officer, a municipal attorney, or prosecuting attorney to undertake an investigation or provide treatment under RCW 71.05.150, 10.31.110, or 71.05.153, the mental health professional or designated crisis responder shall, if requested to do so, advise the representative in writing of the results of the investigation including a statement of reasons for the decision to detain or release the person investigated. The written report must be submitted within seventy-two hours of the completion of the investigation or the request from the law enforcement or corrections representative, whichever occurs later.

(ii) Disclosure under this subsection is mandatory for the purposes of the federal health insurance portability and accountability act;

(f) To the attorney of the detained person;

(g) To the prosecuting attorney as necessary to carry out the responsibilities of the office under RCW 71.05.330(2), 71.05.340(1)(b), and 71.05.335. The prosecutor must be provided access to records regarding the committed person's treatment and prognosis, medication, behavior problems, and other records relevant to the issue of whether treatment less restrictive than inpatient treatment is in the best interest of the committed person or others. Information must be

disclosed only after giving notice to the committed person and the person's counsel;

(h)(i) To appropriate law enforcement agencies and to a person, when the identity of the person is known to the public or private agency, whose health and safety has been threatened, or who is known to have been repeatedly harassed, by the patient. The person may designate a representative to receive the disclosure. The disclosure must be made by the professional person in charge of the public or private agency or his or her designee and must include the dates of commitment, admission, discharge, or release, authorized or unauthorized absence from the agency's facility, and only any other information that is pertinent to the threat or harassment. The agency or its employees are not civilly liable for the decision to disclose or not, so long as the decision was reached in good faith and without gross negligence.

(ii) Disclosure under this subsection is mandatory for the purposes of the federal health insurance portability and accountability act;

(i)(i) To appropriate corrections and law enforcement agencies all necessary and relevant information in the event of a crisis or emergent situation that poses a significant and imminent risk to the public. The mental health service agency or its employees are not civilly liable for the decision to disclose or not so long as the decision was reached in good faith and without gross negligence.

(ii) Disclosure under this subsection is mandatory for the purposes of the health insurance portability and accountability act;

(j) To the persons designated in RCW 71.05.425 for the purposes described in those sections;

(k) Upon the death of a person. The person's next of kin, personal representative, guardian, or conservator, if any, must be notified. Next of kin who are of legal age and competent must be notified under this section in the following order: Spouse, parents, children, brothers and sisters, and other relatives according to the degree of relation. Access to all records and information compiled, obtained, or maintained in the course of providing services to a deceased patient are governed by RCW 70.02.140;

(l) To mark headstones or otherwise memorialize patients interred at state hospital cemeteries. The department of social and health services shall make available the name, date of birth, and date of death of patients buried in state hospital cemeteries fifty years after the death of a patient;

(m) To law enforcement officers and to prosecuting attorneys as are necessary to enforce RCW 9.41.040(2)(a)((~~iii~~))(iv). The extent of information that may be released is limited as follows:

(i) Only the fact, place, and date of involuntary commitment, an official copy of any order or orders of commitment, and an official copy of any written or oral notice of ineligibility to possess a firearm that was provided to the person pursuant to RCW 9.41.047(1), must be disclosed upon request;

(ii) The law enforcement and prosecuting attorneys may only release the information obtained to the person's attorney as required by court rule and to a jury or judge, if a jury is waived, that presides over any trial at which the person is charged with violating RCW 9.41.040(2)(a)((~~iii~~))(iv);

(iii) Disclosure under this subsection is mandatory for the purposes of the federal health insurance portability and accountability act;

(n) When a patient would otherwise be subject to the provisions of this section and disclosure is necessary for the protection of the patient or others due to his or her unauthorized disappearance from the facility, and his or her whereabouts is unknown, notice of the disappearance, along with relevant information, may be made to relatives, the department of corrections when the person is under the supervision of the department, and governmental law enforcement agencies designated by the physician or psychiatric advanced registered nurse practitioner in charge of the patient or the professional person in charge of the facility, or his or her professional designee;

(o) Pursuant to lawful order of a court;

(p) To qualified staff members of the department, to the authority, to the director of behavioral health organizations, to resource management services responsible for serving a patient, or to service providers designated by resource management services as necessary to determine the progress and adequacy of treatment and to determine whether the person should be transferred to a less restrictive or more appropriate treatment modality or facility;

(q) Within the mental health service agency where the patient is receiving treatment, confidential information may be disclosed to persons employed, serving in bona fide training programs, or participating in supervised volunteer programs, at the facility when it is necessary to perform their duties;

(r) Within the department and the authority as necessary to coordinate treatment for mental illness, developmental disabilities, alcoholism, or substance use disorder of persons who are under the supervision of the department;

(s) Between the department of social and health services, the department of children, youth, and families, and the health care authority as necessary to coordinate treatment for mental illness, developmental disabilities, alcoholism, or drug abuse of persons who are under the supervision of the department of social and health services or the department of children, youth, and families;

(t) To a licensed physician or psychiatric advanced registered nurse practitioner who has determined that the life or health of the person is in danger and that treatment without the information and records related to mental health services could be injurious to the patient's health. Disclosure must be limited to the portions of the records necessary to meet the medical emergency;

(u)(i) Consistent with the requirements of the federal health insurance portability and accountability act, to:

(A) A health care provider who is providing care to a patient, or to whom a patient has been referred for evaluation or treatment; or

(B) Any other person who is working in a care coordinator role for a health care facility or health care provider or is under an agreement pursuant to the federal health insurance portability and accountability act with a health care facility or a health care provider and requires the information and records to assure coordinated care and treatment of that patient.

(ii) A person authorized to use or disclose information and records related to mental health services under this subsection (2)(u) must take appropriate steps to protect the information and records relating to mental health services.

(iii) Psychotherapy notes may not be released without authorization of the patient who is the subject of the request for release of information;

(v) To administrative and office support staff designated to obtain medical records for those licensed professionals listed in (u) of this subsection;

(w) To a facility that is to receive a person who is involuntarily committed under chapter 71.05 RCW, or upon transfer of the person from one evaluation and treatment facility to another. The release of records under this subsection is limited to the information and records related to mental health services required by law, a record or summary of all somatic treatments, and a discharge summary. The discharge summary may include a statement of the patient's problem, the treatment goals, the type of treatment which has been provided, and recommendation for future treatment, but may not include the patient's complete treatment record;

(x) To the person's counsel or guardian ad litem, without modification, at any time in order to prepare for involuntary commitment or recommitment proceedings, reexaminations, appeals, or other actions relating to detention, admission, commitment, or patient's rights under chapter 71.05 RCW;

(y) To staff members of the protection and advocacy agency or to staff members of a private, nonprofit corporation for the purpose of protecting and advocating the rights of persons with mental disorders or developmental disabilities. Resource management services may limit the release of information to the name, birthdate, and county of residence of the patient, information regarding whether the patient was voluntarily admitted, or involuntarily committed, the date and place of admission, placement, or commitment, the name and address of a guardian of the patient, and the date and place of the guardian's appointment. Any staff member who wishes to obtain additional information must notify the patient's resource management services in writing of the request and of the resource management services' right to object. The staff member shall send the notice by mail to the guardian's address. If the guardian does not object in writing within fifteen days after the notice is mailed, the staff member may obtain the additional information. If the guardian objects in writing within fifteen days after the notice is mailed, the staff member may not obtain the additional information;

(z) To all current treating providers of the patient with prescriptive authority who have written a prescription for the patient within the last twelve months. For purposes of coordinating health care, the department or the authority may release without written authorization of the patient, information acquired for billing and collection purposes as described in RCW 70.02.050(1)(d). The department, or the authority, if applicable, shall notify the patient that billing and collection information has been released to named providers, and provide the substance of the information released and the dates of such release. Neither the department nor the authority may release counseling, inpatient psychiatric hospitalization, or drug and alcohol treatment information without a signed written release from the client;

(aa)(i) To the secretary of social and health services and the director of the health care authority for either program evaluation or research, or both so long as the secretary or director, where applicable, adopts rules for the conduct of the evaluation or research, or both. Such rules must include, but need not be limited to, the requirement that all evaluators and researchers sign an oath of confidentiality substantially as follows:

"As a condition of conducting evaluation or research concerning persons who have received services from (fill in the facility, agency, or person) I, ,

agree not to divulge, publish, or otherwise make known to unauthorized persons or the public any information obtained in the course of such evaluation or research regarding persons who have received services such that the person who received such services is identifiable.

I recognize that unauthorized release of confidential information may subject me to civil liability under the provisions of state law.

/s/"

(ii) Nothing in this chapter may be construed to prohibit the compilation and publication of statistical data for use by government or researchers under standards, including standards to assure maintenance of confidentiality, set forth by the secretary, or director, where applicable;

(bb) To any person if the conditions in RCW 70.02.205 are met.

(3) Whenever federal law or federal regulations restrict the release of information contained in the information and records related to mental health services of any patient who receives treatment for chemical dependency, the department or the authority may restrict the release of the information as necessary to comply with federal law and regulations.

(4) Civil liability and immunity for the release of information about a particular person who is committed to the department of social and health services or the authority under RCW 71.05.280(3) and 71.05.320(4)(c) after dismissal of a sex offense as defined in RCW 9.94A.030, is governed by RCW 4.24.550.

(5) The fact of admission to a provider of mental health services, as well as all records, files, evidence, findings, or orders made, prepared, collected, or maintained pursuant to chapter 71.05 RCW are not admissible as evidence in any legal proceeding outside that chapter without the written authorization of the person who was the subject of the proceeding except as provided in RCW 70.02.260, in a subsequent criminal prosecution of a person committed pursuant to RCW 71.05.280(3) or 71.05.320(4)(c) on charges that were dismissed pursuant to chapter 10.77 RCW due to incompetency to stand trial, in a civil commitment proceeding pursuant to chapter 71.09 RCW, or, in the case of a minor, a guardianship or dependency proceeding. The records and files maintained in any court proceeding pursuant to chapter 71.05 RCW must be confidential and available subsequent to such proceedings only to the person who was the subject of the proceeding or his or her attorney. In addition, the court may order the subsequent release or use of such records or files only upon good cause shown if the court finds that appropriate safeguards for strict confidentiality are and will be maintained.

(6)(a) Except as provided in RCW 4.24.550, any person may bring an action against an individual who has willfully released confidential information or records concerning him or her in violation of the provisions of this section, for the greater of the following amounts:

(i) One thousand dollars; or

(ii) Three times the amount of actual damages sustained, if any.

(b) It is not a prerequisite to recovery under this subsection that the plaintiff suffered or was threatened with special, as contrasted with general, damages.

(c) Any person may bring an action to enjoin the release of confidential information or records concerning him or her or his or her ward, in violation of

the provisions of this section, and may in the same action seek damages as provided in this subsection.

(d) The court may award to the plaintiff, should he or she prevail in any action authorized by this subsection, reasonable attorney fees in addition to those otherwise provided by law.

(e) If an action is brought under this subsection, no action may be brought under RCW 70.02.170.

Sec. 20. RCW 70.02.240 and 2018 c 201 s 8003 are each amended to read as follows:

The fact of admission and all information and records related to mental health services obtained through inpatient or outpatient treatment of a minor under chapter 71.34 RCW (~~(is)~~) must be kept confidential, except as authorized (~~(is)~~) by this section or under RCW 70.02.050, 70.02.210, 70.02.230, 70.02.250, (~~and~~) 70.02.260, and section 18 of this act. (~~(Such)~~) Confidential information under this section may be disclosed only:

(1) In communications between mental health professionals to meet the requirements of chapter 71.34 RCW, in the provision of services to the minor, or in making appropriate referrals;

(2) In the course of guardianship or dependency proceedings;

(3) To the minor, the minor's parent, including those acting as a parent as defined in RCW 71.34.020 for purposes of family-initiated treatment, and the minor's attorney, subject to RCW 13.50.100;

(4) To the courts as necessary to administer chapter 71.34 RCW;

(5) To law enforcement officers or public health officers as necessary to carry out the responsibilities of their office. However, only the fact and date of admission, and the date of discharge, the name and address of the treatment provider, if any, and the last known address must be disclosed upon request;

(6) To law enforcement officers, public health officers, relatives, and other governmental law enforcement agencies, if a minor has escaped from custody, disappeared from an evaluation and treatment facility, violated conditions of a less restrictive treatment order, or failed to return from an authorized leave, and then only such information as may be necessary to provide for public safety or to assist in the apprehension of the minor. The officers are obligated to keep the information confidential in accordance with this chapter;

(7) To the secretary of social and health services and the director of the health care authority for assistance in data collection and program evaluation or research so long as the secretary or director, where applicable, adopts rules for the conduct of such evaluation and research. The rules must include, but need not be limited to, the requirement that all evaluators and researchers sign an oath of confidentiality substantially as follows:

"As a condition of conducting evaluation or research concerning persons who have received services from (fill in the facility, agency, or person) I,, agree not to divulge, publish, or otherwise make known to unauthorized persons or the public any information obtained in the course of such evaluation or research regarding minors who have received services in a manner such that the minor is identifiable.

I recognize that unauthorized release of confidential information may subject me to civil liability under state law.

/s/";

(8) To appropriate law enforcement agencies, upon request, all necessary and relevant information in the event of a crisis or emergent situation that poses a significant and imminent risk to the public. The mental health service agency or its employees are not civilly liable for the decision to disclose or not, so long as the decision was reached in good faith and without gross negligence;

(9) To appropriate law enforcement agencies and to a person, when the identity of the person is known to the public or private agency, whose health and safety has been threatened, or who is known to have been repeatedly harassed, by the patient. The person may designate a representative to receive the disclosure. The disclosure must be made by the professional person in charge of the public or private agency or his or her designee and must include the dates of admission, discharge, authorized or unauthorized absence from the agency's facility, and only any other information that is pertinent to the threat or harassment. The agency or its employees are not civilly liable for the decision to disclose or not, so long as the decision was reached in good faith and without gross negligence;

(10) To a minor's next of kin, attorney, guardian, or conservator, if any, the information that the minor is presently in the facility or that the minor is seriously physically ill and a statement evaluating the mental and physical condition of the minor as well as a statement of the probable duration of the minor's confinement;

(11) Upon the death of a minor, to the minor's next of kin;

(12) To a facility in which the minor resides or will reside;

(13) To law enforcement officers and to prosecuting attorneys as are necessary to enforce RCW 9.41.040(2)(a)(~~(iii)~~) (iv). The extent of information that may be released is limited as follows:

(a) Only the fact, place, and date of involuntary commitment, an official copy of any order or orders of commitment, and an official copy of any written or oral notice of ineligibility to possess a firearm that was provided to the person pursuant to RCW 9.41.047(1), must be disclosed upon request;

(b) The law enforcement and prosecuting attorneys may only release the information obtained to the person's attorney as required by court rule and to a jury or judge, if a jury is waived, that presides over any trial at which the person is charged with violating RCW 9.41.040(2)(a)(~~(iii)~~) (iv);

(c) Disclosure under this subsection is mandatory for the purposes of the federal health insurance portability and accountability act;

(14) This section may not be construed to prohibit the compilation and publication of statistical data for use by government or researchers under standards, including standards to assure maintenance of confidentiality, set forth by the director of the health care authority or the secretary of the department of social and health services, where applicable. The fact of admission and all information obtained pursuant to chapter 71.34 RCW are not admissible as evidence in any legal proceeding outside chapter 71.34 RCW, except guardianship or dependency, without the written consent of the minor or the minor's parent;

(15) For the purpose of a correctional facility participating in the postinstitutional medical assistance system supporting the expedited medical

determinations and medical suspensions as provided in RCW 74.09.555 and 74.09.295;

(16) Pursuant to a lawful order of a court.

Sec. 21. RCW 74.13.280 and 2018 c 284 s 45 are each amended to read as follows:

(1) Except as provided in RCW 70.02.220, whenever a child is placed in out-of-home care by the department or with an agency, the department or agency shall share information known to the department or agency about the child and the child's family with the care provider and shall consult with the care provider regarding the child's case plan. If the child is dependent pursuant to a proceeding under chapter 13.34 RCW, the department or agency shall keep the care provider informed regarding the dates and location of dependency review and permanency planning hearings pertaining to the child.

(2) Information about the child and the child's family shall include information known to the department or agency as to whether the child is a sexually reactive child, has exhibited high-risk behaviors, or is physically assaultive or physically aggressive, as defined in this section.

(3) Information about the child shall also include information known to the department or agency that the child:

(a) Has received a medical diagnosis of fetal alcohol syndrome or fetal alcohol effect;

(b) Has been diagnosed by a qualified mental health professional as having a mental health disorder;

(c) Has witnessed a death or substantial physical violence in the past or recent past; or

(d) Was a victim of sexual or severe physical abuse in the recent past.

(4) Any person who receives information about a child or a child's family pursuant to this section shall keep the information confidential and shall not further disclose or disseminate the information except as authorized by law. Care providers shall agree in writing to keep the information that they receive confidential and shall affirm that the information will not be further disclosed or disseminated, except as authorized by law.

(5) Nothing in this section shall be construed to limit the authority of the department or an agency to disclose client information or to maintain client confidentiality as provided by law.

(6) ~~((As used in))~~ The department may share the following mental health treatment records with a care provider, even if the child does not consent to releasing those records, if the department has initiated treatment pursuant to RCW 71.34.600 through 71.34.670:

(a) Diagnosis;

(b) Treatment plan and progress in treatment;

(c) Recommended medications, including risks, benefits, side effects, typical efficacy, dose, and schedule;

(d) Psychoeducation about the child's mental health;

(e) Referrals to community resources;

(f) Coaching on parenting or behavioral management strategies; and

(g) Crisis prevention planning and safety planning.

(7) The department may not share substance use disorder treatment records with a care provider without the written consent of the child except as permitted by federal law.

(8) For the purposes of this section:

(a) "Sexually reactive child" means a child who exhibits sexual behavior problems including, but not limited to, sexual behaviors that are developmentally inappropriate for their age or are harmful to the child or others.

(b) "High-risk behavior" means an observed or reported and documented history of one or more of the following:

- (i) Suicide attempts or suicidal behavior or ideation;
- (ii) Self-mutilation or similar self-destructive behavior;
- (iii) Fire-setting or a developmentally inappropriate fascination with fire;
- (iv) Animal torture;
- (v) Property destruction; or
- (vi) Substance or alcohol abuse.

(c) "Physically assaultive or physically aggressive" means a child who exhibits one or more of the following behaviors that are developmentally inappropriate and harmful to the child or to others:

- (i) Observed assaultive behavior;
- (ii) Reported and documented history of the child willfully assaulting or inflicting bodily harm; or
- (iii) Attempting to assault or inflict bodily harm on other children or adults under circumstances where the child has the apparent ability or capability to carry out the attempted assaults including threats to use a weapon.

(d) "Care provider" means a person with whom a child is placed in out-of-home care, or a designated official for a group care facility licensed by the department.

NEW SECTION. Sec. 22. A new section is added to chapter 71.34 RCW to read as follows:

A mental health agency, psychiatric hospital, or evaluation and treatment facility may release mental health information about an adolescent to a parent of the adolescent without the consent of the adolescent by following the limitations and restrictions of RCW 70.02.240 and section 18 of this act.

NEW SECTION. Sec. 23. A new section is added to chapter 71.34 RCW to read as follows:

Subject to the availability of amounts appropriated for this specific purpose, the authority must provide an online training for behavioral health providers regarding state law and best practices when providing behavioral health services to children, youth, and families. The training must be free for providers and must include information related to family-initiated treatment, adolescent-initiated treatment, other treatment services provided under this chapter, and standards for sharing of information about behavioral health services received by an adolescent under RCW 70.02.240 and section 18 of this act.

NEW SECTION. Sec. 24. A new section is added to chapter 71.34 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the authority must conduct an annual survey of a sample group of parents, youth, and behavioral health providers to measure the impacts of

implementing policies resulting from this act during the first three years of implementation. The first survey must be complete by July 1, 2020, followed by subsequent annual surveys completed by July 1, 2021, and by July 1, 2022. The authority must report on the results of the surveys annually to the governor and the legislature beginning November 1, 2020. The final report is due November 1, 2022, and must include any recommendations for statutory changes identified as needed based on survey results.

(2) This section expires December 31, 2022.

NEW SECTION. Sec. 25. This act may be known and cited as the adolescent behavioral health care access act.

NEW SECTION. Sec. 26. Sections 14 and 16 of this act expire July 1, 2026.

NEW SECTION. Sec. 27. Sections 15 and 17 of this act take effect July 1, 2026.

NEW SECTION. Sec. 28. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2019, in the omnibus appropriations act, this act is null and void.

NEW SECTION. Sec. 29. LEGISLATIVE DIRECTIVE. (1) Chapter 71.34 RCW must be codified under the chapter heading "behavioral health services for minors."

(2) RCW 71.34.500 through 71.34.530 must be codified under the subchapter heading "adolescent-initiated treatment."

(3) RCW 71.34.600 through 71.34.670 must be codified under the subchapter heading "family-initiated treatment."

Passed by the House April 23, 2019.

Passed by the Senate April 15, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 382

[Substitute House Bill 1917]

USE OF CERTAIN ANIMAL TRAPS BY AIRPORT OPERATORS

AN ACT Relating to the use of certain animal traps by airport operators; and amending RCW 77.15.194.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 77.15.194 and 2003 c 53 s 374 are each amended to read as follows:

(1) It is unlawful to use or authorize the use of any steel-jawed leghold trap, neck snare, or other body-gripping trap to capture any mammal for recreation or commerce in fur.

(2) It is unlawful to knowingly buy, sell, barter, or otherwise exchange, or offer to buy, sell, barter, or otherwise exchange the raw fur of a mammal or a mammal that has been trapped in this state with a steel-jawed leghold trap or any other body-gripping trap, whether or not pursuant to permit.

(3) It is unlawful to use or authorize the use of any steel-jawed leghold trap or any other body-gripping trap to capture any animal, except as provided in subsections (4) ~~((and (5)))~~ through (6) of this section.

(4) Nothing in this section prohibits the use of a Conibear trap in water, a padded leghold trap, or a nonstrangling type foot snare with a special permit granted by the director under (a) through (d) of this subsection. Issuance of the special permits shall be governed by rules adopted by the department and in accordance with the requirements of this section. Every person granted a special permit to use a trap or device listed in this subsection shall check the trap or device at least every twenty-four hours.

(a) Nothing in this section prohibits the director, in consultation with the department of social and health services or the United States department of health and human services from granting a permit to use traps listed in this subsection for the purpose of protecting people from threats to their health and safety.

(b) Nothing in this section prohibits the director from granting a special permit to use traps listed in this subsection to a person who applies for such a permit in writing, and who establishes that there exists on a property an animal problem that has not been and cannot be reasonably abated by the use of nonlethal control tools, including but not limited to guard animals, electric fencing, or box and cage traps, or if such nonlethal means cannot be reasonably applied. Upon making a finding in writing that the animal problem has not been and cannot be reasonably abated by nonlethal control tools or if the tools cannot be reasonably applied, the director may authorize the use, setting, placing, or maintenance of the traps for a period not to exceed thirty days.

(c) Nothing in this section prohibits the director from granting a special permit to department employees or agents to use traps listed in this subsection where the use of the traps is the only practical means of protecting threatened or endangered species as designated under RCW 77.08.010.

(d) Nothing in this section prohibits the director from issuing a permit to use traps listed in this subsection, excluding Conibear traps, for the conduct of legitimate wildlife research.

(5) Nothing in this section prohibits the United States fish and wildlife service, its employees or agents, from using a trap listed in subsection (4) of this section where the fish and wildlife service determines, in consultation with the director, that the use of such traps is necessary to protect species listed as threatened or endangered under the federal endangered species act (16 U.S.C. Sec. 1531 et seq.).

(6)(a) An airport operator that uses a padded foot, leghold, or any other body-gripping trap for the protection of human and aviation security to secure an animal is exempt from the provisions of subsection (3) of this section if: (i) Once every three years, the airport operator obtains a special permit from the director for this purpose; and (ii) once each year, the airport operator submits a report to the director detailing the previous year's activities regulated under subsection (3) of this section.

(b) Nothing under this subsection (6) authorizes an airport operator to sell the raw fur of a mammal or otherwise violate the provisions of subsection (2) of this section.

(c) For the purposes of this subsection, "airport operator" has the same meaning as defined in RCW 14.08.015.

(7) A person violating this section is guilty of a gross misdemeanor.

Passed by the House March 12, 2019.

Passed by the Senate April 13, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 383

[Engrossed Substitute House Bill 2018]

LEGISLATORS AND LEGISLATIVE BRANCH EMPLOYEES--HARASSMENT

AN ACT Relating to harassment and discrimination by legislators and legislative branch employees; and amending RCW 42.52.070.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 42.52.070 and 1994 c 154 s 107 are each amended to read as follows:

(1) Except as required to perform duties within the scope of employment, no state officer or state employee may use his or her position to secure special privileges or exemptions for himself or herself, or his or her spouse, child, parents, or other persons.

(2) For purposes of this section, and only as applied to legislators and employees of the legislative branch, "special privileges" includes, but is not limited to, engaging in behavior that constitutes harassment. As used in this section:

(a) "Harassment" means engaging in physical, verbal, visual, or psychological conduct that:

(i) Has the purpose or effect of interfering with the person's work performance;

(ii) Creates a hostile, intimidating, or offensive work environment; or

(iii) Constitutes sexual harassment.

(b) "Sexual harassment" means unwelcome or unwanted sexual advances, requests for sexual or romantic favors, sexually motivated bullying, or other verbal, visual, physical, or psychological conduct or communication of a sexual or romantic nature, when:

(i) Submission to the conduct or communication is either explicitly or implicitly a term or condition of current or future employment;

(ii) Submission to or rejection of the conduct or communication is used as the basis of an employment decision affecting the person; or

(iii) The conduct or communication unreasonably interferes with the person's job performance or creates a work environment that is hostile, intimidating, or offensive.

Passed by the House April 22, 2019.

Passed by the Senate April 15, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 384

[House Bill 2062]

SEATTLE STORM SPECIAL LICENSE PLATES

AN ACT Relating to creating Seattle Storm special license plates to fund youth leadership and sports programs; amending RCW 46.18.200, 46.17.220, and 46.68.420; and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 46.18.200 and 2018 c 67 s 5 are each amended to read as follows:

(1) Special license plate series reviewed and approved by the department:

(a) May be issued in lieu of standard issue or personalized license plates for vehicles required to display one and two license plates unless otherwise specified;

(b) Must be issued under terms and conditions established by the department;

(c) Must not be issued for vehicles registered under chapter 46.87 RCW; and

(d) Must display a symbol or artwork approved by the department.

(2) The department approves and shall issue the following special license plates:

LICENSE PLATE	DESCRIPTION, SYMBOL, OR ARTWORK
4-H Armed forces collection	Displays the "4-H" logo. Recognizes the contribution of veterans, active duty military personnel, reservists, and members of the national guard, and includes six separate designs, each containing a symbol representing a different branch of the armed forces to include army, navy, air force, marine corps, coast guard, and national guard.
Breast cancer awareness	Displays a pink ribbon symbolizing breast cancer awareness.
Endangered wildlife	Displays a symbol or artwork symbolizing endangered wildlife in Washington state.
Fred Hutch	Displays the Fred Hutch logo.
Gonzaga University alumni association	Recognizes the Gonzaga University alumni association.
Helping kids speak	Recognizes an organization that supports programs that provide no-cost speech pathology programs to children.
Keep kids safe	Recognizes efforts to prevent child abuse and neglect.

Law enforcement memorial	Honors law enforcement officers in Washington killed in the line of duty.
Music matters	Displays the "Music Matters" logo.
Professional firefighters and paramedics	Recognizes professional firefighters and paramedics who are members of the Washington state council of firefighters.
Seattle Mariners	Displays the "Seattle Mariners" logo.
Seattle Seahawks	Displays the "Seattle Seahawks" logo.
Seattle Sounders FC	Displays the "Seattle Sounders FC" logo.
<u>Seattle Storm</u>	<u>Displays the "Seattle Storm" logo.</u>
Seattle University	Recognizes Seattle University.
Share the road	Recognizes an organization that promotes bicycle safety and awareness education.
Ski & ride Washington	Recognizes the Washington snowsports industry.
State flower	Recognizes the Washington state flower.
Volunteer firefighters	Recognizes volunteer firefighters.
Washington farmers and ranchers	Recognizes farmers and ranchers in Washington state.
Washington lighthouses	Recognizes an organization that supports selected Washington state lighthouses and provides environmental education programs.
Washington state aviation	Displays a Stearman biplane in the foreground with an image of Mount Rainier in the background.
Washington state parks	Recognizes Washington state parks as premier destinations of uncommon quality that preserve significant natural, cultural, historical, and recreational resources.
Washington state wrestling	Promotes and supports college wrestling in the state of Washington.
Washington tennis	Builds awareness and year-round opportunities for tennis in Washington state. Displays a symbol or artwork recognizing tennis in Washington state.
Washington's fish collection	Recognizes Washington's fish.

Washington's national park fund	Builds awareness of Washington's national parks and supports priority park programs and projects in Washington's national parks, such as enhancing visitor experience, promoting volunteerism, engaging communities, and providing educational opportunities related to Washington's national parks.
Washington's wildlife collection	Recognizes Washington's wildlife.
We love our pets	Recognizes an organization that assists local member agencies of the federation of animal welfare and control agencies to promote and perform spay/neuter surgery on Washington state pets to reduce pet overpopulation.
Wild on Washington	Symbolizes wildlife viewing in Washington state.

(3) Applicants for initial and renewal professional firefighters and paramedics special license plates must show proof of eligibility by providing a certificate of current membership from the Washington state council of firefighters.

(4) Applicants for initial volunteer firefighters special license plates must (a) have been a volunteer firefighter for at least ten years or be a volunteer firefighter for one or more years and (b) have documentation of service from the district of the appropriate fire service. If the volunteer firefighter leaves firefighting service before ten years of service have been completed, the volunteer firefighter shall surrender the license plates to the department on the registration renewal date. If the volunteer firefighter stays in service for at least ten years and then leaves, the license plate may be retained by the former volunteer firefighter and as long as the license plate is retained for use the person will continue to pay the future registration renewals. A qualifying volunteer firefighter may have no more than one set of license plates per vehicle, and a maximum of two sets per applicant, for their personal vehicles. If the volunteer firefighter is convicted of a violation of RCW 46.61.502 or a felony, the license plates must be surrendered upon conviction.

Sec. 2. RCW 46.17.220 and 2018 c 67 s 4 are each amended to read as follows:

In addition to all fees and taxes required to be paid upon application for a vehicle registration in chapter 46.16A RCW, the holder of a special license plate shall pay the appropriate special license plate fee as listed in this section.

PLATE TYPE	INITIAL FEE	RENEWAL FEE	DISTRIBUTED UNDER
(1) 4-H	\$ 40.00	\$ 30.00	RCW 46.68.420
(2) Amateur radio license	\$ 5.00	N/A	RCW 46.68.070
(3) Armed forces	\$ 40.00	\$ 30.00	RCW 46.68.425
(4) Breast cancer awareness	\$ 40.00	\$ 30.00	RCW 46.68.425

(5) Collector vehicle	\$ 35.00	N/A	RCW 46.68.030
(6) Collegiate	\$ 40.00	\$ 30.00	RCW 46.68.430
(7) Endangered wildlife	\$ 40.00	\$ 30.00	RCW 46.68.425
(8) Fred Hutch	\$ 40.00	\$ 30.00	RCW 46.68.420
(9) Gonzaga University alumni association	\$ 40.00	\$ 30.00	RCW 46.68.420
(10) Helping kids speak	\$ 40.00	\$ 30.00	RCW 46.68.420
(11) Horseless carriage	\$ 35.00	N/A	RCW 46.68.030
(12) Keep kids safe	\$ 45.00	\$ 30.00	RCW 46.68.425
(13) Law enforcement memorial	\$ 40.00	\$ 30.00	RCW 46.68.420
(14) Military affiliate radio system	\$ 5.00	N/A	RCW 46.68.070
(15) Music matters	\$ 40.00	\$ 30.00	RCW 46.68.420
(16) Professional firefighters and paramedics	\$ 40.00	\$ 30.00	RCW 46.68.420
(17) Purple Heart	\$ 40.00	\$ 30.00	RCW 46.68.425
(18) Ride share	\$ 25.00	N/A	RCW 46.68.030
(19) Seattle Mariners	\$ 40.00	\$ 30.00	RCW 46.68.420
(20) Seattle Seahawks	\$ 40.00	\$ 30.00	RCW 46.68.420
(21) Seattle Sounders FC	\$ 40.00	\$ 30.00	RCW 46.68.420
(22) <u>Seattle Storm</u>	<u>\$ 40.00</u>	<u>\$ 30.00</u>	<u>RCW 46.68.420</u>
(23) Seattle University	\$ 40.00	\$ 30.00	RCW 46.68.420
((23)) (24) Share the road	\$ 40.00	\$ 30.00	RCW 46.68.420
((24)) (25) Ski & ride Washington	\$ 40.00	\$ 30.00	RCW 46.68.420
((25)) (26) Square dancer	\$ 40.00	N/A	RCW 46.68.070
((26)) (27) State flower	\$ 40.00	\$ 30.00	RCW 46.68.420
((27)) (28) Volunteer firefighters	\$ 40.00	\$ 30.00	RCW 46.68.420
((28)) (29) Washington farmers and ranchers	\$ 40.00	\$ 30.00	RCW 46.68.420
((29)) (30) Washington lighthouses	\$ 40.00	\$ 30.00	RCW 46.68.420
((30)) (31) Washington state aviation	\$ 40.00	\$ 30.00	RCW 46.68.420
((31)) (32) Washington state parks	\$ 40.00	\$ 30.00	RCW 46.68.425
((32)) (33) Washington state wrestling	\$ 40.00	\$ 30.00	RCW 46.68.420
((33)) (34) Washington tennis	\$ 40.00	\$ 30.00	RCW 46.68.420
((34)) (35) Washington's fish collection	\$ 40.00	\$ 30.00	RCW 46.68.425
((35)) (36) Washington's national parks	\$ 40.00	\$ 30.00	RCW 46.68.420

((36)) (37) Washington's wildlife collection	\$ 40.00	\$ 30.00	RCW 46.68.425
((37)) (38) We love our pets	\$ 40.00	\$ 30.00	RCW 46.68.420
((38)) (39) Wild on Washington	\$ 40.00	\$ 30.00	RCW 46.68.425

Sec. 3. RCW 46.68.420 and 2018 c 67 s 2 are each amended to read as follows:

(1) The department shall:

(a) Collect special license plate fees established under RCW 46.17.220;

(b) Deduct an amount not to exceed twelve dollars for initial issue and two dollars for renewal issue for administration and collection expenses incurred by it; and

(c) Remit the remaining proceeds to the custody of the state treasurer with a proper identifying detailed report.

(2) The state treasurer shall credit the proceeds to the motor vehicle account until the department determines that the state has been reimbursed for the cost of implementing the special license plate. Upon determination by the department that the state has been reimbursed, the state treasurer shall credit the remaining special license plate fee amounts for each special license plate to the following appropriate account as created in this section in the custody of the state treasurer:

ACCOUNT	CONDITIONS FOR USE OF FUNDS
4-H programs	Support Washington 4-H programs
Fred Hutch	Support cancer research at the Fred Hutchinson cancer research center
Gonzaga University alumni association	Scholarship funds to needy and qualified students attending or planning to attend Gonzaga University
Helping kids speak	Provide free diagnostic and therapeutic services to families of children who suffer from a delay in language or speech development
Law enforcement memorial	Provide support and assistance to survivors and families of law enforcement officers in Washington killed in the line of duty and to organize, finance, fund, construct, utilize, and maintain a memorial on the state capitol grounds to honor those fallen officers

Lighthouse environmental programs	Support selected Washington state lighthouses that are accessible to the public and staffed by volunteers; provide environmental education programs; provide grants for other Washington lighthouses to assist in funding infrastructure preservation and restoration; encourage and support interpretive programs by lighthouse docents
Music matters awareness	Promote music education in schools throughout Washington
Seattle Mariners	Provide funds to the sports mentoring program and to support the Washington world fellows program in the following manner: (a) Seventy-five percent to the office of the lieutenant governor solely to administer the sports mentoring program established under RCW 43.15.100, to encourage youth who have economic needs or face adversities to experience spectator sports or get involved in youth sports, and (b) up to twenty-five percent to the office of the lieutenant governor solely to administer the Washington world fellows program, an equity focused program
Seattle Seahawks	Provide funds to InvestED and to support the Washington world fellows program in the following manner: (a) Seventy-five percent, to InvestED, to encourage secondary students who have economic needs to stay in school, return to school, or get involved within their learning community; and (b) twenty-five percent to the office of the lieutenant governor solely to administer the Washington world fellows program, including the provision of fellowships

Seattle Sounders FC	<p>Provide funds to Washington state mentors and the association of Washington generals created in RCW 43.15.030 in the following manner: (a) Seventy percent and the remaining proceeds, if any, to Washington state mentors, to increase the number of mentors in the state by offering mentoring grants throughout Washington state that foster positive youth development and academic success, with up to twenty percent of these proceeds authorized for program administration costs; and (b) up to thirty percent, not to exceed forty-thousand dollars annually as adjusted for inflation by the office of financial management, to the association of Washington generals, to develop Washington state educational, veterans, international relations, and civics projects and to recognize the outstanding public service of individuals or groups in the state of Washington</p>
<u>Seattle Storm</u>	<p><u>Provide funds to the Washington state legislative youth advisory council and the association of Washington generals created in RCW 43.15.030 in the following manner: Twenty-five thousand dollars per year of the net proceeds to the legislative youth advisory council, or its successor organization; and the remaining net proceeds on an annual basis, to the association of Washington generals for the purpose of providing grants to support and enhance athletic, recreational, and other opportunities for women and girls, and especially those with disabilities</u></p>
Seattle University	<p>Fund scholarships for students attending or planning to attend Seattle University</p>
Share the road	<p>Promote bicycle safety and awareness education in communities throughout Washington</p>

Ski & ride Washington	Promote winter snowsports, such as skiing and snowboarding, and related programs, such as ski and ride safety programs, underprivileged youth ski and ride programs, and active, healthy lifestyle programs
State flower	Support Meerkerk Rhododendron Gardens and provide for grants to other qualified nonprofit organizations' efforts to preserve rhododendrons
Volunteer firefighters	Receive and disseminate funds for purposes on behalf of volunteer firefighters, their families, and others deemed in need
Washington farmers and ranchers	Provide funds to the Washington FFA Foundation for educational programs in Washington state
Washington state aviation	Provide funds to the department of transportation to support infrastructure improvements at public use airports in Washington state
Washington state council of firefighters benevolent fund	Receive and disseminate funds for charitable purposes on behalf of members of the Washington state council of firefighters, their families, and others deemed in need
Washington state wrestling	Provide funds to the Washington state wrestling foundation to fund new and existing college wrestling programs

Washington tennis	Provide funds to cities to assist in the construction and maintenance of a public tennis facility with at least four indoor tennis courts. A city is eligible for construction funds if the city does not already have a public or private facility with at least four indoor tennis courts. Funds for construction must first be made available to the most populous eligible city, according to the most recent census, for a time period not to exceed five years after January 1, 2017. After the five-year time period, the funds for construction must be made available to the next most populous eligible city. Funds for the maintenance of a public tennis facility with at least four indoor tennis courts must first be made available to the first eligible city that utilizes funds for construction provided by chapter 16, Laws of 2016
Washington's national park fund	Build awareness of Washington's national parks and support priority park programs and projects in Washington's national parks, such as enhancing visitor experience, promoting volunteerism, engaging communities, and providing educational opportunities related to Washington's national parks
We love our pets	Support and enable the Washington federation of animal welfare and control agencies to promote and perform spay/neuter surgery of Washington state pets in order to reduce pet population

(3) Except as otherwise provided in this section, only the director or the director's designee may authorize expenditures from the accounts described in subsection (2) of this section. The accounts are subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

(4) Except as otherwise provided in this section, funds in the special license plate accounts described in subsection (2) of this section must be disbursed subject to the conditions described in subsection (2) of this section and under contract between the department and qualified nonprofit organizations that provide the services described in subsection (2) of this section.

(5) Funds from the Seattle Seahawks account may be provided to the lieutenant governor solely for the purpose of administering the Washington world fellows program. Of the amounts received by the lieutenant governor's office under this subsection, at least ninety percent must be provided as fellowships under the program.

(6) Beginning January 1, 2019, funds from the Seattle Mariners account may be provided to the office of lieutenant governor solely for the purpose of administering the sports mentoring program. Of the amounts received by the office of lieutenant governor, at least ninety percent must be applied towards services directly provided to youth participants.

(7) For the purposes of this section, a "qualified nonprofit organization" means a not-for-profit corporation operating in Washington that has received a determination of tax exempt status under 26 U.S.C. Sec. 501(c)(3). The qualified nonprofit organization must meet all the requirements under RCW 46.18.100(1).

NEW SECTION. Sec. 4. This act takes effect October 1, 2019.

Passed by the House March 13, 2019.

Passed by the Senate April 13, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 385

[Substitute Senate Bill 5025]

SELF-HELP HOUSING DEVELOPMENT--REAL ESTATE EXCISE TAX EXEMPTION

AN ACT Relating to sales and use and excise tax exemptions for self-help housing development; reenacting and amending RCW 82.45.010; creating a new section; providing an effective date; and providing expiration dates.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. (1) This section is the tax preference performance statement for this act. This performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any part or be used to determine eligibility for a preferential tax treatment.

(2) The legislature categorizes the tax preference as one intended to induce certain designated behavior by taxpayers, as indicated in RCW 82.32.808(2)(a).

(3) It is the legislature's specific public policy objective to provide real estate excise tax relief to developers of self-help housing to encourage continued development of self-help housing.

(4) The joint legislative audit and review committee is directed to review:

(a) The total number of taxpayers that claimed the tax preference; and

(b) The total amount of real estate excise tax revenue that was exempt under this act, annually.

(5) In order to obtain this section, the joint legislative audit and review committee may refer to department of revenue data, as well as any other available data source.

Sec. 2. RCW 82.45.010 and 2018 c 223 s 3 and 2018 c 221 s 1 are each reenacted and amended to read as follows:

(1) As used in this chapter, the term "sale" has its ordinary meaning and includes any conveyance, grant, assignment, quitclaim, or transfer of the ownership of or title to real property, including standing timber, or any estate or interest therein for a valuable consideration, and any contract for such conveyance, grant, assignment, quitclaim, or transfer, and any lease with an option to purchase real property, including standing timber, or any estate or

interest therein or other contract under which possession of the property is given to the purchaser, or any other person at the purchaser's direction, and title to the property is retained by the vendor as security for the payment of the purchase price. The term also includes the grant, assignment, quitclaim, sale, or transfer of improvements constructed upon leased land.

(2)(a) The term "sale" also includes the transfer or acquisition within any twelve-month period of a controlling interest in any entity with an interest in real property located in this state for a valuable consideration.

(b) For the sole purpose of determining whether, pursuant to the exercise of an option, a controlling interest was transferred or acquired within a twelve-month period, the date that the option agreement was executed is the date on which the transfer or acquisition of the controlling interest is deemed to occur. For all other purposes under this chapter, the date upon which the option is exercised is the date of the transfer or acquisition of the controlling interest.

(c) For purposes of this subsection, all acquisitions of persons acting in concert must be aggregated for purposes of determining whether a transfer or acquisition of a controlling interest has taken place. The department must adopt standards by rule to determine when persons are acting in concert. In adopting a rule for this purpose, the department must consider the following:

(i) Persons must be treated as acting in concert when they have a relationship with each other such that one person influences or controls the actions of another through common ownership; and

(ii) When persons are not commonly owned or controlled, they must be treated as acting in concert only when the unity with which the purchasers have negotiated and will consummate the transfer of ownership interests supports a finding that they are acting as a single entity. If the acquisitions are completely independent, with each purchaser buying without regard to the identity of the other purchasers, then the acquisitions are considered separate acquisitions.

(3) The term "sale" does not include:

(a) A transfer by gift, devise, or inheritance.

(b) A transfer by transfer on death deed, to the extent that it is not in satisfaction of a contractual obligation of the decedent owed to the recipient of the property.

(c) A transfer of any leasehold interest other than of the type mentioned above.

(d) A cancellation or forfeiture of a vendee's interest in a contract for the sale of real property, whether or not such contract contains a forfeiture clause, or deed in lieu of foreclosure of a mortgage.

(e) The partition of property by tenants in common by agreement or as the result of a court decree.

(f) The assignment of property or interest in property from one spouse or one domestic partner to the other spouse or other domestic partner in accordance with the terms of a decree of dissolution of marriage or state registered domestic partnership or in fulfillment of a property settlement agreement.

(g) The assignment or other transfer of a vendor's interest in a contract for the sale of real property, even though accompanied by a conveyance of the vendor's interest in the real property involved.

(h) Transfers by appropriation or decree in condemnation proceedings brought by the United States, the state or any political subdivision thereof, or a municipal corporation.

(i) A mortgage or other transfer of an interest in real property merely to secure a debt, or the assignment thereof.

(j) Any transfer or conveyance made pursuant to a deed of trust or an order of sale by the court in any mortgage, deed of trust, or lien foreclosure proceeding or upon execution of a judgment, or deed in lieu of foreclosure to satisfy a mortgage or deed of trust.

(k) A conveyance to the federal housing administration or veterans administration by an authorized mortgagee made pursuant to a contract of insurance or guaranty with the federal housing administration or veterans administration.

(l) A transfer in compliance with the terms of any lease or contract upon which the tax as imposed by this chapter has been paid or where the lease or contract was entered into prior to the date this tax was first imposed.

(m) The sale of any grave or lot in an established cemetery.

(n) A sale by the United States, this state or any political subdivision thereof, or a municipal corporation of this state.

(o) A sale to a regional transit authority or public corporation under RCW 81.112.320 under a sale/leaseback agreement under RCW 81.112.300.

(p) A transfer of real property, however effected, if it consists of a mere change in identity or form of ownership of an entity where there is no change in the beneficial ownership. These include transfers to a corporation or partnership which is wholly owned by the transferor and/or the transferor's spouse or domestic partner or children of the transferor or the transferor's spouse or domestic partner. However, if thereafter such transferee corporation or partnership voluntarily transfers such real property, or such transferor, spouse or domestic partner, or children of the transferor or the transferor's spouse or domestic partner voluntarily transfer stock in the transferee corporation or interest in the transferee partnership capital, as the case may be, to other than (i) the transferor and/or the transferor's spouse or domestic partner or children of the transferor or the transferor's spouse or domestic partner, (ii) a trust having the transferor and/or the transferor's spouse or domestic partner or children of the transferor or the transferor's spouse or domestic partner as the only beneficiaries at the time of the transfer to the trust, or (iii) a corporation or partnership wholly owned by the original transferor and/or the transferor's spouse or domestic partner or children of the transferor or the transferor's spouse or domestic partner, within three years of the original transfer to which this exemption applies, and the tax on the subsequent transfer has not been paid within sixty days of becoming due, excise taxes become due and payable on the original transfer as otherwise provided by law.

(q)(i) A transfer that for federal income tax purposes does not involve the recognition of gain or loss for entity formation, liquidation or dissolution, and reorganization, including but not limited to nonrecognition of gain or loss because of application of 26 U.S.C. Sec. 332, 337, 351, 368(a)(1), 721, or 731 of the internal revenue code of 1986, as amended.

(ii) However, the transfer described in (q)(i) of this subsection cannot be preceded or followed within a twelve-month period by another transfer or series

of transfers, that, when combined with the otherwise exempt transfer or transfers described in (q)(i) of this subsection, results in the transfer of a controlling interest in the entity for valuable consideration, and in which one or more persons previously holding a controlling interest in the entity receive cash or property in exchange for any interest the person or persons acting in concert hold in the entity. This subsection (3)(q)(ii) does not apply to that part of the transfer involving property received that is the real property interest that the person or persons originally contributed to the entity or when one or more persons who did not contribute real property or belong to the entity at a time when real property was purchased receive cash or personal property in exchange for that person or persons' interest in the entity. The real estate excise tax under this subsection (3)(q)(ii) is imposed upon the person or persons who previously held a controlling interest in the entity.

(r) A qualified sale of a manufactured/mobile home community, as defined in RCW 59.20.030, that takes place on or after June 12, 2008, but before December 31, 2018.

(s)(i) A transfer of a qualified low-income housing development or controlling interest in a qualified low-income housing development, unless, due to noncompliance with federal statutory requirements, the seller is subject to recapture, in whole or in part, of its allocated federal low-income housing tax credits within the four years prior to the date of transfer.

(ii) For purposes of this subsection (3)(s), "qualified low-income housing development" means real property and improvements in respect to which the seller or, in the case of a transfer of a controlling interest, the owner or beneficial owner, was allocated federal low-income housing tax credits authorized under 26 U.S.C. Sec. 42 or successor statute, by the Washington state housing finance commission or successor state-authorized tax credit allocating agency.

(iii) This subsection (3)(s) does not apply to transfers of a qualified low-income housing development or controlling interest in a qualified low-income housing development occurring on or after July 1, 2035.

(iv) The Washington state housing finance commission, in consultation with the department, must gather data on: (A) The fiscal savings, if any, accruing to transferees as a result of the exemption provided in this subsection (3)(s); (B) the extent to which transferors of qualified low-income housing developments receive consideration, including any assumption of debt, as part of a transfer subject to the exemption provided in this subsection (3)(s); and (C) the continued use of the property for low-income housing. The Washington state housing finance commission must provide this information to the joint legislative audit and review committee. The committee must conduct a review of the tax preference created under this subsection (3)(s) in calendar year 2033, as required under chapter 43.136 RCW.

(t)(i) A qualified transfer of residential property by a legal representative of a person with developmental disabilities to a qualified entity subject to the following conditions:

(A) The adult child with developmental disabilities of the transferor of the residential property must be allowed to reside in the residence or successor property so long as the placement is safe and appropriate as determined by the department of social and health services;

(B) The title to the residential property is conveyed without the receipt of consideration by the legal representative of a person with developmental disabilities to a qualified entity;

(C) The residential property must have no more than four living units located on it; and

(D) The residential property transferred must remain in continued use for fifty years by the qualified entity as supported living for persons with developmental disabilities by the qualified entity or successor entity. If the qualified entity sells or otherwise conveys ownership of the residential property the proceeds of the sale or conveyance must be used to acquire similar residential property and such similar residential property must be considered the successor for continued use. The property will not be considered in continued use if the department of social and health services finds that the property has failed, after a reasonable time to remedy, to meet any health and safety statutory or regulatory requirements. If the department of social and health services determines that the property fails to meet the requirements for continued use, the department of social and health services must notify the department and the real estate excise tax based on the value of the property at the time of the transfer into use as residential property for persons with developmental disabilities becomes immediately due and payable by the qualified entity. The tax due is not subject to penalties, fees, or interest under this title.

(ii) For the purposes of this subsection (3)(t) the definitions in RCW 71A.10.020 apply.

(iii) A "qualified entity" is:

(A) A nonprofit organization under Title 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue code of 1986, as amended, as of June 7, 2018, or a subsidiary under the same taxpayer identification number that provides residential supported living for persons with developmental disabilities; or

(B) A nonprofit adult family home, as defined in RCW 70.128.010, that exclusively serves persons with developmental disabilities.

(iv) In order to receive an exemption under this subsection (3)(t) an affidavit must be submitted by the transferor of the residential property and must include a copy of the transfer agreement and any other documentation as required by the department.

(u)(i) The sale by an affordable homeownership facilitator of self-help housing to a low-income household. The definitions in section 2 of this act apply to this subsection.

(ii) The definitions in this subsection (3)(u) apply to this subsection (3)(u) unless the context clearly requires otherwise.

(A) "Affordable homeownership facilitator" means a nonprofit community or neighborhood-based organization that is exempt from income tax under Title 26 U.S.C. Sec. 501(c) of the internal revenue code of 1986, as amended, as of the effective date of this section and that is the developer of self-help housing.

(B) "Low-income" means household income as defined by the department, provided that the definition may not exceed eighty percent of median household income, adjusted for household size, for the county in which the dwelling is located.

(C) "Self-help housing" means dwelling residences provided for ownership by low-income individuals and families whose ownership requirement includes

labor participation. "Self-help housing" does not include residential rental housing provided on a commercial basis to the general public.

NEW SECTION, Sec. 3. This act takes effect October 1, 2019.

NEW SECTION, Sec. 4. Section 2 of this act expires January 1, 2030.

Passed by the Senate March 11, 2019.

Passed by the House April 27, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 386

[Second Substitute Senate Bill 5082]

SOCIAL-EMOTIONAL LEARNING--COMMITTEE, STANDARDS, AND BENCHMARKS

AN ACT Relating to promoting and expanding social emotional learning; amending RCW 28A.410.270 and 28A.413.050; adding new sections to chapter 28A.300 RCW; adding new sections to chapter 28A.410 RCW; adding a new section to chapter 28A.415; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION, Sec. 1. A new section is added to chapter 28A.300 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the social emotional learning committee is created to promote and expand social-emotional learning. Social-emotional learning will help students build awareness and skills in managing emotions, setting goals, establishing relationships, and making responsible decisions that support success in school and life.

(2) At a minimum, the committee shall:

(a) Develop and implement a statewide framework for social-emotional learning that is trauma-informed, culturally sustaining, and developmentally appropriate;

(b) Review and update as needed the standards and benchmarks for social-emotional learning and the developmental indicators for grades kindergarten through twelve and confirm they are evidence-based;

(c) Align the standards and benchmarks for social-emotional learning with other relevant standards and guidelines including the health and physical education K-12 learning standards and the early learning and development guidelines;

(d) Advise the office of the superintendent of public instruction's duty under section 2 of this act;

(e) Identify best practices or guidance for schools implementing the standards, benchmarks, and developmental indicators for social-emotional learning;

(f) Identify professional development opportunities for teachers and educational staff and review, update, and align as needed the social-emotional learning online education module;

(g) Consider systems for collecting data about social-emotional learning and monitoring implementation efforts;

(h) Identify strategies to improve coordination between early learning, K-12 education, youth-serving community partners and culturally-based providers, and higher education regarding social-emotional learning; and

(i) Engage with stakeholders and seek feedback.

(3) The committee must consist of the following members:

(a) Four members appointed by the governor in consultation with the state ethnic commissions, who represent the following populations: African Americans, Hispanic Americans, Asian Americans, and Pacific Islander Americans; and

(b) One representative from the educational opportunity gap oversight and accountability committee created in RCW 28A.300.136.

(4) The governor and the tribes are encouraged to jointly designate a total of two members to serve on the committee who have experience working in and with schools: One member from east of the crest of the Cascade mountains; and one member from west of the crest of the Cascade mountains.

(5) Additional members of the committee must be appointed by the office of the superintendent of public instruction to serve on the committee. Additional members must include:

(a) One representative from the department of children, youth, and families;

(b) Two representatives from the office of the superintendent of public instruction: One with expertise in student support services; and one with expertise in curriculum and instruction;

(c) One representative from the office of the education ombuds;

(d) One representative from the state board of education;

(e) One representative from the health care authority's division of behavioral health and recovery;

(f) One higher educational faculty member with expertise in social-emotional learning;

(g) One currently employed K-12 educator;

(h) One currently employed K-12 administrator;

(i) One school psychologist;

(j) One school social worker;

(k) One school counselor;

(l) One school nurse;

(m) One mental health counselor;

(n) One representative from a school parent organization;

(o) One member from a rural school district;

(p) One representative from the educational service districts;

(q) One representative from a coalition of members who educate about and advocate for access to social-emotional learning and skill development;

(r) One representative from a statewide expanded learning opportunities intermediary;

(s) One representative from a nonprofit organization with expertise in developing social-emotional curricula;

(t) One representative from a foundation that supports social-emotional learning; and

(u) One representative from a coalition of youth-serving organizations working together to improve outcomes for young people.

(6) The members of the committee shall select the chairs or cochairs of the committee.

(7) In addition to other meetings, the committee shall have a joint meeting once a year with the educational opportunity gap oversight and accountability committee created in RCW 28A.300.136.

(8) The office of the superintendent of public instruction shall provide staff support for the committee.

(9) Members of the committee shall serve without compensation but must be reimbursed for travel expenses as provided in RCW 43.03.050 and 43.03.060.

(10) Beginning June 1, 2021, and annually thereafter, the committee shall provide a progress report, in compliance with RCW 43.01.036, to the governor and appropriate committees of the legislature. The report must include accomplishments, state-level data regarding implementation of social-emotional learning, identification of systemic barriers or policy changes necessary to promote and expand social-emotional learning, and recommendations.

NEW SECTION. Sec. 2. A new section is added to chapter 28A.300 RCW to read as follows:

(1) The office of the superintendent of public instruction shall review the recommendations of the social-emotional learning work group convened as directed in the 2017 omnibus appropriations act and the recommendations of the social emotional learning committee created in section 1 of this act. The office of the superintendent of public instruction shall adopt social-emotional learning standards and benchmarks by January 1, 2020, and revise the social-emotional learning standards and benchmarks as appropriate.

(2) The office of the superintendent of public instruction shall align the programs it oversees with the standards for social-emotional learning and integrate the standards where appropriate.

Sec. 3. RCW 28A.410.270 and 2017 3rd sp.s. c 26 s 4 are each amended to read as follows:

(1)(a) The Washington professional educator standards board shall adopt a set of articulated teacher knowledge, skill, and performance standards for effective teaching that are evidence-based, measurable, meaningful, and documented in high quality research as being associated with improved student learning. The standards shall be calibrated for each level along the entire career continuum.

(b) In developing the standards, the board shall, to the extent possible, incorporate standards for cultural competency along the entire continuum. For the purposes of this subsection, "cultural competency" includes knowledge of student cultural histories and contexts, as well as family norms and values in different cultures; knowledge and skills in accessing community resources and community and parent outreach; and skills in adapting instruction to students' experiences and identifying cultural contexts for individual students.

~~((b))~~ (c) By January 1, 2020, in order to ensure that teachers can recognize signs of emotional or behavioral distress in students and appropriately refer students for assistance and support, the Washington professional educator standards board shall incorporate along the entire continuum the social-emotional learning standards and benchmarks recommended by the social emotional learning benchmarks work group in its October 1, 2016, final report

titled, "addressing social emotional learning in Washington's K-12 public schools." In incorporating the social-emotional learning standards and benchmarks, the Washington professional educator standards board must include related competencies, such as trauma-informed practices, consideration of adverse childhood experiences, mental health literacy, antibullying strategies, and culturally sustaining practices.

(2) The Washington professional educator standards board shall adopt a definition of master teacher, with a comparable level of increased competency between professional certification level and master level as between professional certification level and national board certification. Within the definition established by the Washington professional educator standards board, teachers certified through the national board for professional teaching standards shall be considered master teachers.

~~((2))~~ (3) The Washington professional educator standards board shall maintain a uniform, statewide, valid, and reliable classroom-based means of evaluating teacher effectiveness as a culminating measure at the preservice level that is to be used during the student-teaching field experience. This assessment shall include multiple measures of teacher performance in classrooms, evidence of positive impact on student learning, and shall include review of artifacts, such as use of a variety of assessment and instructional strategies, and student work.

~~((3))~~ (4) Award of a professional certificate shall be based on a minimum of two years of successful teaching experience as defined by the board, and may not require candidates to enroll in a professional certification program.

~~((4))~~ (5) Educator preparation programs approved to offer the residency teaching certificate shall be required to demonstrate how the program produces effective teachers as evidenced by the measures established under this section and other criteria established by the Washington professional educator standards board.

NEW SECTION. **Sec. 4.** A new section is added to chapter 28A.410 RCW to read as follows:

By January 1, 2020, in order to ensure that principals can recognize signs of emotional or behavioral distress in students and appropriately refer students for assistance and support, the Washington professional educator standards board shall incorporate into principal knowledge, skill, and performance standards the social-emotional learning standards, benchmarks, and related competencies described in RCW 28A.410.270.

Sec. 5. RCW 28A.413.050 and 2017 c 237 s 6 are each amended to read as follows:

(1) The board shall adopt state standards of practice for paraeducators that are based on the recommendations of the paraeducator work group established in chapter 136, Laws of 2014. These standards must include:

~~((1))~~ (a) Supporting instructional opportunities;

~~((2))~~ (b) Demonstrating professionalism and ethical practices;

~~((3))~~ (c) Supporting a positive and safe learning environment;

~~((4))~~ (d) Communicating effectively and participating in the team process;

and

~~((5))~~ (e) Demonstrating cultural competency aligned with standards developed by the professional educator standards board under RCW 28A.410.270.

(2) By January 1, 2020, in order to ensure that paraeducators can recognize signs of emotional or behavioral distress in students and appropriately refer students for assistance and support, the board shall incorporate into the standards of practice for paraeducators adopted under subsection (1) of this section the social-emotional learning standards, benchmarks, and related competencies described in RCW 28A.410.270.

NEW SECTION. Sec. 6. A new section is added to chapter 28A.300 RCW to read as follows:

Subject to the availability of amounts appropriated for this specific purpose, the office of the superintendent of public instruction must create and publish on its web site a list of resources available for professional development of school district staff on the following topics: Social-emotional learning, trauma-informed practices, recognition and response to emotional or behavioral distress, consideration of adverse childhood experiences, mental health literacy, antibullying strategies, and culturally sustaining practices. The office of the superintendent of public instruction must include in the list the professional development opportunities and resources identified by the social emotional learning committee created under section 1 of this act.

NEW SECTION. Sec. 7. A new section is added to chapter 28A.415 RCW to read as follows:

Beginning in the 2020-21 school year, and every other school year thereafter, school districts must use one of the professional learning days funded under RCW 28A.150.415 to train school district staff on one or more of the following topics: Social-emotional learning, trauma-informed practices, using the model plan developed under RCW 28A.320.1271 related to recognition and response to emotional or behavioral distress, consideration of adverse childhood experiences, mental health literacy, antibullying strategies, and culturally sustaining practices.

NEW SECTION. Sec. 8. A new section is added to chapter 28A.410 RCW to read as follows:

The Washington professional educator standards board must periodically review approved preparation programs to assess whether and to what extent the programs are meeting knowledge, skill, and performance standards, and publish on its web site the results of the review in a format that facilitates program comparison.

NEW SECTION. Sec. 9. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2019, in the omnibus appropriations act, this act is null and void.

Passed by the Senate April 25, 2019.

Passed by the House April 24, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 387

[Engrossed Second Substitute Senate Bill 5091]

SPECIAL EDUCATION FUNDING

AN ACT Relating to state and federal special education funding; amending RCW 28A.150.392, 28A.150.415, 28A.150.390, and 43.09.2856; creating a new section; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature intends to provide the funding necessary to support a comprehensive and responsive education system that fully addresses the needs of students with disabilities eligible for special education. Under the current funding model, students with disabilities eligible for special education are funded as basic education students first, with additional funding provided through a statewide multiplier intended to meet the additional needs of each student as established in the student's individualized education program. Additionally, a safety net administered by the office of the superintendent of public instruction is available for school districts that demonstrate significant extra need beyond what they receive from the base funding formula.

The legislature notes that school districts across the state have identified the need for additional resources to create the educational environment necessary to give every student with an individualized education program the opportunity to succeed. It is the legislature's intent to provide immediate relief to school district special education programs by enhancing the supplemental funding school districts receive for every student in the program of special education and to provide easier access to the safety net when those base funds are not adequate.

Sec. 2. RCW 28A.150.392 and 2018 c 266 s 106 are each amended to read as follows:

(1)(a) To the extent necessary, funds shall be made available for safety net awards for districts with demonstrated needs for special education funding beyond the amounts provided through the special education funding formula under RCW 28A.150.390.

(b) If the federal safety net awards based on the federal eligibility threshold exceed the federal appropriation in any fiscal year, then the superintendent shall expend all available federal discretionary funds necessary to meet this need.

(2) Safety net funds shall be awarded by the state safety net oversight committee subject to the following conditions and limitations:

(a) The committee shall award additional funds for districts that can convincingly demonstrate that all legitimate expenditures for special education exceed all available revenues from state funding formulas.

(b) In the determination of need, the committee shall consider additional available revenues from federal sources.

(c) Differences in program costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.

(d) In the determination of need, the committee shall require that districts demonstrate that they are maximizing their eligibility for all state revenues related to services for students eligible for special education(~~(-eligible students)~~) and all federal revenues from federal impact aid, medicaid, and the individuals with disabilities education act-Part B and appropriate special projects. Awards

associated with (e) and (f) of this subsection shall not exceed the total of a district's specific determination of need.

(e) The committee shall then consider the extraordinary high cost needs of one or more individual students eligible for and receiving special education (~~(students)~~). Differences in costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.

(f) Using criteria developed by the committee, the committee shall then consider extraordinary costs associated with communities that draw a larger number of families with children in need of special education services, which may include consideration of proximity to group homes, military bases, and regional hospitals. Safety net awards under this subsection (2)(f) shall be adjusted to reflect amounts awarded under (e) of this subsection.

(g) The committee shall then consider the extraordinary high cost needs of one or more individual students eligible for and receiving special education (~~(students)~~) served in residential schools as defined in RCW 28A.190.020, programs for juveniles under the department of corrections, and programs for juveniles operated by city and county jails to the extent they are providing a secondary program of education (~~(for students enrolled in special education)~~).

(h) The maximum allowable indirect cost for calculating safety net eligibility may not exceed the federal restricted indirect cost rate for the district plus one percent.

(i) Safety net awards shall be adjusted based on the percent of potential medicaid eligible students billed as calculated by the superintendent of public instruction in accordance with chapter 318, Laws of 1999.

(j) Safety net awards must be adjusted for any audit findings or exceptions related to special education funding.

(3) The superintendent of public instruction shall adopt such rules and procedures as are necessary to administer the special education funding and safety net award process. By December 1, 2018, the superintendent shall review and revise the rules to achieve full and complete implementation of the requirements of this subsection and subsection (4) of this section including revisions to rules that provide additional flexibility to access community impact awards. Before revising any standards, procedures, or rules, the superintendent shall consult with the office of financial management and the fiscal committees of the legislature. In adopting and revising the rules, the superintendent shall ensure the application process to access safety net funding is streamlined, timelines for submission are not in conflict, feedback to school districts is timely and provides sufficient information to allow school districts to understand how to correct any deficiencies in a safety net application, and that there is consistency between awards approved by school district and by application period. The office of the superintendent of public instruction shall also provide technical assistance to school districts in preparing and submitting special education safety net applications.

(4) On an annual basis, the superintendent shall survey districts regarding their satisfaction with the safety net process and consider feedback from districts to improve the safety net process. Each year by December 1st, the superintendent shall prepare and submit a report to the office of financial management and the appropriate policy and fiscal committees of the legislature

that summarizes the survey results and those changes made to the safety net process as a result of the school district feedback.

(5) The safety net oversight committee appointed by the superintendent of public instruction shall consist of:

(a) One staff member from the office of the superintendent of public instruction;

(b) Staff of the office of the state auditor who shall be nonvoting members of the committee; and

(c) One or more representatives from school districts or educational service districts knowledgeable of special education programs and funding.

(6) Beginning in the 2019-20 school year, a high-need student is eligible for safety net awards from state funding under subsection (2)(c) and (g) of this section if the student's individualized education program costs exceed two and three-tenths times the average per-pupil expenditure as defined in Title 20 U.S.C. Sec. 7801, the every student succeeds act of 2015.

Sec. 3. RCW 28A.150.415 and 2017 3rd sp.s. c 13 s 105 are each amended to read as follows:

(1) Beginning with the 2018-19 school year, the legislature shall begin phasing in funding for professional learning days for certificated instructional staff. At a minimum, the state must allocate funding for:

(a) One professional learning day in the 2018-19 school year;

(b) Two professional learning days in the 2019-20 school year; and

(c) Three professional learning days in the 2020-21 school year.

(2) The office of the superintendent of public instruction shall calculate each school district's professional learning allocation as provided in subsection (1) of this section separate from the minimum state allocation for salaries as specified in RCW 28A.150.410 and associated fringe benefits on the apportionment reports provided to each school district. The professional learning allocation shall be equal to the proportional increase resulting from adding the professional learning days provided in subsection (1) of this section to the required minimum number of school days in RCW 28A.150.220(5)(a) applied to the school district's minimum state allocation for salaries and associated fringe benefits for certificated instructional staff as specified in the omnibus operating appropriations act. Professional learning allocations shall be included in per-pupil calculations, such as special education, for programs funded on a per-pupil basis.

(3) Nothing in this section entitles an individual certificated instructional staff to any particular number of professional learning days.

~~((3))~~ (4) The professional learning days must meet the definitions and standards provided in RCW 28A.415.430, 28A.415.432, and 28A.415.434.

Sec. 4. RCW 28A.150.390 and 2018 c 266 s 102 are each amended to read as follows:

(1) The superintendent of public instruction shall submit to each regular session of the legislature during an odd-numbered year a programmed budget request for special education programs for students with disabilities. Funding for programs operated by local school districts shall be on an excess cost basis from appropriations provided by the legislature for special education programs for

students with disabilities and shall take account of state funds accruing through RCW 28A.150.260 (4)(a), (5), (6), and (8) and 28A.150.415.

(2) The excess cost allocation to school districts shall be based on the following:

(a) A district's annual average headcount enrollment of students ages birth through four and those five year olds not yet enrolled in kindergarten who are eligible for and (~~enrolled in~~) receiving special education, multiplied by the district's base allocation per full-time equivalent student, multiplied by 1.15; (~~and~~)

~~(b)(i) Subject to the limitation in (b)(ii) of this subsection (2), a district's annual average ((full-time equivalent basic education)) enrollment((=multiplied by the district's funded enrollment percent)) of resident students who are eligible for and receiving special education, excluding students ages birth through four and those five year olds not yet enrolled in kindergarten, multiplied by the district's base allocation per full-time equivalent student, multiplied by ((0.9609)) the special education cost multiplier rate of:~~

(A) In the 2019-20 school year, 0.995 for students eligible for and receiving special education.

(B) Beginning in the 2020-21 school year, either:

(I) 1.0075 for students eligible for and receiving special education and reported to be in the general education setting for eighty percent or more of the school day; or

(II) 0.995 for students eligible for and receiving special education and reported to be in the general education setting for less than eighty percent of the school day.

(ii) If the enrollment percent exceeds thirteen and five-tenths percent, the excess cost allocation calculated under (b)(i) of this subsection must be adjusted by multiplying the allocation by thirteen and five-tenths percent divided by the enrollment percent.

(3) As used in this section:

(a) "Base allocation" means the total state allocation to all schools in the district generated by the distribution formula under RCW 28A.150.260 (4)(a), (5), (6), and (8) and the allocation under RCW 28A.150.415, to be divided by the district's full-time equivalent enrollment.

(b) "Basic education enrollment" means enrollment of resident students including nonresident students enrolled under RCW 28A.225.225 and students from nonhigh districts enrolled under RCW 28A.225.210 and excluding students residing in another district enrolled as part of an interdistrict cooperative program under RCW 28A.225.250.

(c) "Enrollment percent" means the district's resident (~~special education~~) annual average enrollment of students who are eligible for and receiving special education, excluding students ages birth through four and those five year olds not yet enrolled in kindergarten and students enrolled in institutional education programs, as a percent of the district's annual average full-time equivalent basic education enrollment.

~~((d) "Funded enrollment percent" means the lesser of the district's actual enrollment percent or thirteen and five-tenths percent.))~~

Sec. 5. RCW 43.09.2856 and 2018 c 266 s 406 are each amended to read as follows:

(1) Beginning with the 2019-20 school year, to ensure that school district local revenues are used solely for purposes of enriching the state's statutory program of basic education, the state auditor's regular financial audits of school districts must include a review of the expenditure of school district local revenues for compliance with RCW 28A.150.276, including the spending plan approved by the superintendent of public instruction under RCW 28A.505.240 and its implementation, and any supplemental contracts entered into under RCW 28A.400.200.

(2) If an audit under subsection (1) of this section results in findings that a school district has failed to comply with these requirements, then within ninety days of completing the audit the auditor must report the findings to the superintendent of public instruction, the office of financial management, and the education and operating budget committees of the legislature.

(3) The use of the state allocation provided for professional learning under RCW 28A.150.415 must be audited as part of the regular financial audits of school districts by the state auditor's office to ensure compliance with the limitations and conditions of RCW 28A.150.415.

(4)(a) The state auditor must conduct a financial or accountability audit of each school district by June 1, 2020, for the 2018-19 school year to include a review of the following:

(i) Special education revenues and the sources of those revenues, by school district; and

(ii) Special education expenditures and the object of those expenditures, by school district.

(b) Special education data reported for each school district through the audits under this subsection must be compiled and submitted to the education committees of the legislature by December 1, 2020.

NEW SECTION. Sec. 6. Section 5 of this act expires December 1, 2021.

Passed by the Senate April 28, 2019.

Passed by the House April 27, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 388

[Substitute Senate Bill 5106]

NATURAL DISASTER AND RESILIENCY ACTIVITIES WORK GROUP

AN ACT Relating to the creation of a work group to study and make recommendations on natural disaster mitigation and resiliency activities; adding a new section to chapter 48.02 RCW; and creating new sections.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that residents of this state have been impacted by natural disasters such as floods, landslides, wildfires, and earthquakes and continue to be at risk from these and other natural disasters. In 2016, insured losses from natural disasters in the United States totaled almost twenty-four billion dollars. In 2015, Washington state had the largest wildfire season in state history, with more than one million acres burned and costing more than two hundred fifty-three million dollars. In 2017, four hundred four

thousand two hundred twenty-three acres burned in Washington state and there were more than four hundred thirty national flood insurance program claims filed, totaling over seven million dollars.

The legislature finds that Washington state has the second highest earthquake risk in the nation, estimated by the federal emergency management agency to exceed four hundred thirty-eight million dollars per year. The 2001 Nisqually earthquake caused more than two billion dollars in damage. A Seattle fault earthquake will cause an estimated thirty-three billion dollars in damage, and a Cascadia subduction zone earthquake will cause an estimated amount of over forty-nine billion dollars in damage.

The legislature finds that it is critical to better prepare this state for disasters and to put in place strategies to mitigate the impacts of disasters. To address this critical need, the legislature is creating a work group to review disaster mitigation and preparation projects in this state and other states, make recommendations regarding how to coordinate and expand state efforts to mitigate the impacts of natural disasters, and evaluate whether an ongoing disaster resiliency program should be created.

NEW SECTION. Sec. 2. A new section is added to chapter 48.02 RCW to read as follows:

(1) A work group to study and make recommendations on natural disaster and resiliency activities is hereby created. The work group membership shall be composed of:

(a) The insurance commissioner or his or her designee, who shall serve as the chair of the work group;

(b) One member from each of the two largest caucuses of the house of representatives, appointed by the speaker of the house of representatives;

(c) One member from each of the two largest caucuses of the senate, appointed by the president of the senate;

(d) A representative from the governor's resilient Washington work group;

(e) A representative from the Washington state association of counties;

(f) A representative from the association of Washington cities;

(g) A representative from the state building code council;

(h) The commissioner of the department of natural resources or his or her designee;

(i) The director of the Washington state military department or his or her designee;

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

(k) The secretary of the state department of transportation or his or her designee;

(l) The director of the department of ecology or his or her designee;

(m) The director of the department of commerce or his or her designee;

(n) A representative from the Washington association of building officials;

(o) A representative from the building industry association of Washington;

(p) Two representatives from the property and casualty insurance industry, to be selected by the insurance commissioner or his or her designee, through an application process;

(q) A representative of emergency and transitional housing providers, to be appointed by the office of the insurance commissioner;

(r) A representative from public utility districts to be selected by a state association of public utility districts;

(s) A representative of water and sewer districts to be selected by a state association of water and sewer districts;

(t) A representative selected by the Washington state commission on African-American affairs, the Washington state commission on Hispanic affairs, the governor's office of Indian affairs, and the Washington state commission on Asian Pacific American affairs to represent the entities on the work group;

(u) A representative from the state department of agriculture;

(v) A representative from the state conservation commission as defined in RCW 89.08.030;

(w) A representative of a federally recognized Indian tribe with a reservation located east of the crest of the Cascade mountains, to be appointed by the governor;

(x) A representative of a federally recognized Indian tribe with a reservation located west of the crest of the Cascade mountains, to be appointed by the governor; and

(y) Other state agency representatives or stakeholder group representatives, at the discretion of the work group, for the purpose of participating in specific topic discussions or subcommittees.

(2) The work group shall engage in the following activities:

(a) Review disaster mitigation and resiliency activities being done in this state by public and private entities;

(b) Review disaster mitigation and resiliency activities being done in other states and at the federal level;

(c) Review information on uptake in this state for disaster related insurance, such as flood and earthquake insurance;

(d) Review information on how other states are coordinating disaster mitigation and resiliency work including, but not limited to, the work of entities such as the California earthquake authority;

(e) Review how other states and the federal government fund their disaster mitigation and resiliency activities and programs; and

(f) Make recommendations to the legislature and office of the insurance commissioner regarding:

(i) Whether this state should create an ongoing disaster resiliency program;

(ii) What activities the program should engage in;

(iii) How the program should coordinate with state agencies and other entities engaged in disaster mitigation and resiliency work;

(iv) Where the program should be housed; and

(v) How the program should be funded.

(3) The work group shall submit, in compliance with RCW 43.01.036, a preliminary report of recommendations to the legislature, the office of the insurance commissioner, the governor, the office of the superintendent of public instruction, and the commissioner of public lands by November 1, 2019, and a final report by December 1, 2020.

NEW SECTION. Sec. 3. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2019, in the omnibus appropriations act, this act is null and void.

Passed by the Senate April 22, 2019.

Passed by the House April 12, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 389

[Senate Bill 5107]

TRUST INSTITUTIONS--VARIOUS PROVISIONS

AN ACT Relating to trust institutions; amending RCW 30B.04.005, 30B.04.010, 30B.04.040, 30B.04.110, 30B.08.020, 30B.08.030, 30B.08.040, 30B.08.070, 30B.08.080, 30B.08.090, 30B.10.005, 30B.10.040, 30B.10.050, 30B.10.060, 30B.10.070, 30B.10.080, 30B.10.100, 30B.10.110, 30B.12.020, 30B.12.040, 30B.12.060, 30B.12.090, 30B.12.100, 30B.20.020, 30B.24.005, 30B.24.020, 30B.38.005, 30B.38.020, 30B.38.030, 30B.38.040, 30B.38.070, 30B.38.080, 30B.38.090, 30B.44A.005, 30B.44A.010, 30B.44A.020, 30B.44A.030, 30B.44A.040, 30B.44A.050, 30B.53.002, 30B.53.005, 30B.53.010, 30B.53.020, 30B.53.030, 30B.53.040, 30B.53.060, and 30B.72.010; reenacting and amending RCW 7.60.025 and 42.56.400; adding new sections to chapter 30B.10 RCW; adding a new section to chapter 30B.12 RCW; adding new sections to chapter 30B.24 RCW; adding a new section to chapter 30B.38 RCW; adding new sections to chapter 30B.44A RCW; adding new sections to chapter 30B.44B RCW; adding new sections to chapter 30B.46 RCW; adding new sections to chapter 30B.53 RCW; repealing RCW 30A.08.160, 30A.08.170, 30B.04.150, 30B.44B.020, 30B.46.005, and 30B.46.010; and prescribing penalties.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 7.60.025 and 2011 c 214 s 27 and 2011 c 34 s 1 are each reenacted and amended to read as follows:

(1) A receiver may be appointed by the superior court of this state in the following instances, but except in any case in which a receiver's appointment is expressly required by statute, or any case in which a receiver's appointment is sought by a state agent whose authority to seek the appointment of a receiver is expressly conferred by statute, or any case in which a receiver's appointment with respect to real property is sought under (b)(ii) of this subsection, a receiver shall be appointed only if the court additionally determines that the appointment of a receiver is reasonably necessary and that other available remedies either are not available or are inadequate:

(a) On application of any party, when the party is determined to have a probable right to or interest in property that is a subject of the action and in the possession of an adverse party, or when the property or its revenue-producing potential is in danger of being lost or materially injured or impaired. A receiver may be appointed under this subsection (1)(a) whether or not the application for appointment of a receiver is combined with, or is ancillary to, an action seeking a money judgment or other relief;

(b) Provisionally, after commencement of any judicial action or nonjudicial proceeding to foreclose upon any lien against or for forfeiture of any interest in real or personal property, on application of any person, when the interest in the property that is the subject of such an action or proceeding of the person seeking the receiver's appointment is determined to be probable and either:

(i) The property or its revenue-producing potential is in danger of being lost or materially injured or impaired; or

(ii) The appointment of a receiver with respect to the real or personal property that is the subject of the action or proceeding is provided for by agreement or is reasonably necessary to effectuate or enforce an assignment of

rents or other revenues from the property. For purposes of this subsection (1)(b), a judicial action is commenced as provided in superior court civil rule 3(a), a nonjudicial proceeding is commenced under chapter 61.24 RCW upon the service of notice of default described in RCW 61.24.030(8), and a proceeding for forfeiture is commenced under chapter 61.30 RCW upon the recording of the notice of intent to forfeit described in RCW 61.30.060;

(c) After judgment, in order to give effect to the judgment;

(d) To dispose of property according to provisions of a judgment dealing with its disposition;

(e) To the extent that property is not exempt from execution, at the instance of a judgment creditor either before or after the issuance of any execution, to preserve or protect it, or prevent its transfer;

(f) If and to the extent that property is subject to execution to satisfy a judgment, to preserve the property during the pendency of an appeal, or when an execution has been returned unsatisfied, or when an order requiring a judgment debtor to appear for proceedings supplemental to judgment has been issued and the judgment debtor fails to submit to examination as ordered;

(g) Upon an attachment of real or personal property when the property attached is of a perishable nature or is otherwise in danger of waste, impairment, or destruction, or where the abandoned property's owner has absconded with, secreted, or abandoned the property, and it is necessary to collect, conserve, manage, control, or protect it, or to dispose of it promptly, or when the court determines that the nature of the property or the exigency of the case otherwise provides cause for the appointment of a receiver;

(h) In an action by a transferor of real or personal property to avoid or rescind the transfer on the basis of fraud, or in an action to subject property or a fund to the payment of a debt;

(i) In an action against any person who is not an individual if the object of the action is the dissolution of that person, or if that person has been dissolved, or if that person is insolvent or is not generally paying the person's debts as those debts become due unless they are the subject of bona fide dispute, or if that person is in imminent danger of insolvency;

(j) In accordance with RCW 7.08.030 (4) and (6), in cases in which a general assignment for the benefit of creditors has been made;

(k) In quo warranto proceedings under chapter 7.56 RCW;

(l) As provided under RCW 11.64.022;

(m) In an action by the department of licensing under RCW 18.35.220(3) with respect to persons engaged in the business of dispensing of hearing aids, RCW 18.85.430 in the case of persons engaged in the business of a real estate broker, associate real estate broker, or real estate salesperson, or RCW 19.105.470 with respect to persons engaged in the business of camping resorts;

(n) In an action under RCW 18.44.470 or 18.44.490 in the case of persons engaged in the business of escrow agents;

(o) Upon a petition with respect to a nursing home in accordance with and subject to receivership provisions under chapter 18.51 RCW;

(p) ~~(Under RCW 19.40.071(3))~~ In connection with a proceeding for relief with respect to a voidable transfer ~~((fraudulent))~~ as to a present or future creditor ~~((or creditors))~~ under RCW 19.40.041 or a present creditor under RCW 19.40.051;

(q) Under RCW 19.100.210(1), in an action by the attorney general or director of financial institutions to restrain any actual or threatened violation of the franchise investment protection act;

(r) In an action by the attorney general or by a prosecuting attorney under RCW 19.110.160 with respect to a seller of business opportunities;

(s) In an action by the director of financial institutions under RCW 21.20.390 in cases involving actual or threatened violations of the securities act of Washington or under RCW 21.30.120 in cases involving actual or threatened violations of chapter 21.30 RCW with respect to certain businesses and transactions involving commodities;

(t) In an action for or relating to dissolution of a business corporation under RCW 23B.14.065, 23B.14.300, 23B.14.310, or 23B.14.320, for dissolution of a nonprofit corporation under RCW 24.03.271, for dissolution of a mutual corporation under RCW 24.06.305, or in any other action for the dissolution or winding up of any other entity provided for by Title 23, 23B, 24, or 25 RCW;

(u) In any action in which the dissolution of any public or private entity is sought, in any action involving any dispute with respect to the ownership or governance of such an entity, or upon the application of a person having an interest in such an entity when the appointment is reasonably necessary to protect the property of the entity or its business or other interests;

(v) Under RCW 25.05.215, in aid of a charging order with respect to a partner's interest in a partnership;

(w) Under and subject to RCW ~~((30.44.100, 30.44.270, and 30.56.030))~~ 30A.44.100, 30A.44.270, and 30A.56.030, in the case of a state commercial bank, section 71 of this act, in the case of a ~~((bank or))~~ state trust company ((or, under and subject to)), RCW 32.24.070 ~~((through))~~, 32.24.073, 32.24.080, and 32.24.090, in the case of a ~~((mutual))~~ state savings bank;

(x) Under and subject to RCW 31.12.637 and 31.12.671 through 31.12.724, in the case of credit unions;

(y) Upon the application of the director of financial institutions under RCW 31.35.090 in actions to enforce chapter 31.35 RCW applicable to agricultural lenders, under RCW 31.40.120 in actions to enforce chapter 31.40 RCW applicable to entities engaged in federally guaranteed small business loans, under RCW 31.45.160 in actions to enforce chapter 31.45 RCW applicable to persons licensed as check cashers or check sellers, or under RCW 19.230.230 in actions to enforce chapter 19.230 RCW applicable to persons licensed under the uniform money services act;

(z) Under RCW 35.82.090 or 35.82.180, with respect to a housing project;

(aa) Under RCW 39.84.160 or 43.180.360, in proceedings to enforce rights under any revenue bonds issued for the purpose of financing industrial development facilities or bonds of the Washington state housing finance commission, or any financing document securing any such bonds;

(bb) Under and subject to RCW 43.70.195, in an action by the secretary of health or by a local health officer with respect to a public water system;

(cc) As contemplated by RCW 61.24.030, with respect to real property that is the subject of nonjudicial foreclosure proceedings under chapter 61.24 RCW;

(dd) As contemplated by RCW 61.30.030(3), with respect to real property that is the subject of judicial or nonjudicial forfeiture proceedings under chapter 61.30 RCW;

(ee) Under RCW 64.32.200(2), in an action or proceeding commenced under chapter 61.12 or 61.24 RCW to foreclose upon a lien for common expenses against a dwelling unit subject to the horizontal property regimes act, chapter 64.32 RCW. For purposes of this subsection (1)(ee), a judicial action is commenced as provided in superior court civil rule 3(a) and a nonjudicial proceeding is commenced under chapter 61.24 RCW upon the service of notice of default described in RCW 61.24.030(8);

(ff) Under RCW 64.34.364(10), in an action or proceeding commenced under chapter 61.12 or 61.24 RCW by a unit owners' association to foreclose a lien for nonpayment of delinquent assessments against condominium units. For purposes of this subsection (1)(ff), a judicial action is commenced as provided in superior court civil rule (3)(a) and a nonjudicial proceeding is commenced under chapter 61.24 RCW upon the service of notice of default described in RCW 61.24.030(8);

(gg) Upon application of the attorney general under RCW 64.36.220(3), in aid of any writ or order restraining or enjoining violations of chapter 64.36 RCW applicable to timeshares;

(hh) Under RCW 70.95A.050(3), in aid of the enforcement of payment or performance of municipal bonds issued with respect to facilities used to abate, control, or prevent pollution;

(ii) Upon the application of the department of social and health services under RCW 74.42.580, in cases involving nursing homes;

(jj) Upon the application of the utilities and transportation commission under RCW 80.28.040, with respect to a water company or wastewater company that has failed to comply with an order of such commission within the time deadline specified therein;

(kk) Under RCW 87.56.065, in connection with the dissolution of an irrigation district;

(ll) Upon application of the attorney general or the department of licensing, in any proceeding that either of them are authorized by statute to bring to enforce Title 18 or 19 RCW; the securities act of Washington, chapter 21.20 RCW; the Washington commodities act, chapter 21.30 RCW; the land development act, chapter 58.19 RCW; or under chapter 64.36 RCW relating to the regulation of timeshares;

(mm) Upon application of the director of financial institutions in any proceeding that the director of financial institutions is authorized to bring to enforce chapters 31.35, 31.40, and 31.45 RCW; or

(nn) In such other cases as may be provided for by law, or when, in the discretion of the court, it may be necessary to secure ample justice to the parties.

(2) The superior courts of this state shall appoint as receiver of property located in this state a person who has been appointed by a federal or state court located elsewhere as receiver with respect to the property specifically or with respect to the owner's property generally, upon the application of the person or of any party to that foreign proceeding, and following the appointment shall give effect to orders, judgments, and decrees of the foreign court affecting the property in this state held by the receiver, unless the court determines that to do so would be manifestly unjust or inequitable. The venue of such a proceeding may be any county in which the person resides or maintains any office, or any

county in which any property over which the receiver is to be appointed is located at the time the proceeding is commenced.

(3) At least seven days' notice of any application for the appointment of a receiver must be given to the owner of property to be subject thereto and to all other parties in the action, and to other parties in interest as the court may require. If any execution by a judgment creditor under Title 6 RCW or any application by a judgment creditor for the appointment of a receiver, with respect to property over which the receiver's appointment is sought, is pending in any other action at the time the application is made, then notice of the application for the receiver's appointment also must be given to the judgment creditor in the other action. The court may shorten or expand the period for notice of an application for the appointment of a receiver upon good cause shown.

(4) The order appointing a receiver in all cases must reasonably describe the property over which the receiver is to take charge, by category, individual items, or both if the receiver is to take charge of less than all of the owner's property. If the order appointing a receiver does not expressly limit the receiver's authority to designated property or categories of property of the owner, the receiver is a general receiver with the authority to take charge over all of the owner's property, wherever located.

(5) The court may condition the appointment of a receiver upon the giving of security by the person seeking the receiver's appointment, in such amount as the court may specify, for the payment of costs and damages incurred or suffered by any person should it later be determined that the appointment of the receiver was wrongfully obtained.

Sec. 2. RCW 30B.04.005 and 2014 c 37 s 302 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this title.

The definitions in this section shall be liberally construed to accomplish the purposes of this title. Additional definitions, as applicable, are contained elsewhere in this title. The department may adopt by rule other definitions to accomplish the purposes of this title.

(1) "Account" means the client relationship established with a trust company involving the transfer of funds or property to the trust company, including a relationship in which the trust company acts as trustee, executor, administrator, guardian, custodian, conservator, bailee, receiver, registrar, or agent, but excluding a relationship in which the trust company acts solely in an advisory capacity.

(2) "Administer" with respect to real or tangible personal property means, as an agent or in another representative capacity, to possess, purchase, sell, lease, insure, safekeep, or otherwise manage the property.

(3) "Affiliate" means a company that (~~directly or indirectly~~) controls, is controlled by, or is under common control with a trust institution (~~or other company~~).

(4) "Authorized trust institution" means a trust institution with authority to engage in trust business in Washington state pursuant to (~~statute~~)federal or state law.

(5) "Bank" has the meaning set forth in 12 U.S.C. Sec. 1813(h); provided that the term "bank" does not include any "foreign bank" as defined in 12 U.S.C.

Sec. 3101(7), except for any such foreign bank organized under the laws of a territory of the United States, Puerto Rico, Guam, American Samoa, or the Virgin Islands, the deposits of which are insured by the federal deposit insurance corporation.

(6) "Bank supervisory agency" means:

(a) Any agency of another state with primary responsibility for chartering and supervising a trust institution; and

(b) The office of the comptroller of the currency, the federal deposit insurance corporation, the board of governors of the federal reserve system, and any successor to these agencies.

(7) "Capital" has the meaning ascribed to that term by generally accepted accounting principles and applicable rules of the financial accounting standards board, and includes surplus and undivided profits.

(8) "Charter," ~~((means))~~ "chartered," and "chartering" mean a charter or other certificate of authority issued by ~~((the director or))~~ a ~~((bank))~~ financial services supervisory agency of an applicable governmental entity authorizing a trust institution to engage in business in its home state or other jurisdiction, or the act of granting or having had granted such a charter.

(9) "Client" means a person to whom a trust institution owes a duty or obligation under a trust or other account administered by the trust institution or as an advisor or agent, regardless of whether the trust institution owes a fiduciary duty to the person. The term includes the noncontingent beneficiaries of an account.

(10) "Company" includes a bank, trust company, corporation, limited liability company, partnership, association, business trust, or another trust.

(11) "Conservator" means the director or an agent of the director exercising the powers and duties provided ~~((by RCW 30B.46.010))~~ in section 85 of this act.

(12) "Control," ~~((means))~~ "controls," "controlled," and "controlling," except as defined in RCW 30B.53.005 and as used in RCW 30B.04.040(12), 30B.08.030, 30B.12.020 (1) and (2), and 30B.38.080(1), mean and refer to:

(a) The ownership of or ability or power to vote, directly, acting through one or more other persons, or otherwise indirectly, more than ~~((twenty-five))~~ fifty percent of the outstanding shares of a class of voting securities of a state trust company or other company;

(b) The ability to control the election of a majority of the board of a state trust company or other company;

(c) The power to exercise, directly or indirectly, a controlling influence over the management or policies of the state trust company or other company as determined by the director after notice and an opportunity for hearing; or

(d) The conditioning of the transfer of more than ~~((twenty-five))~~ fifty percent of the outstanding shares or participation shares of a class of voting securities of a state trust company or other company on the transfer of more than ~~((twenty-five))~~ fifty percent of the outstanding shares of a class of voting securities of another state trust company or other company.

(13) "Custodial account" means an account, established by a person with a bank as defined in 26 U.S.C. Sec. 408(n), or with another person approved by the internal revenue service as satisfying the requirements to be a nonbank trustee or a nonbank passive trustee set forth in United States treasury regulations under 26 U.S.C. Sec. 408, that is governed by an instrument

concerning the establishment or maintenance, or both, of an individual retirement account, qualified retirement plan, Archer medical savings account, health savings account, Coverdell education savings account, any similar retirement or savings vehicle permitted under the internal revenue code of 1986, or as otherwise defined by the director by rule.

(14) "Department" means the Washington state department of financial institutions.

(15) "Depository institution" means any company chartered to act as a fiduciary and included for any purpose within any of the definitions of "insured depository institution" as set forth in 12 U.S.C. Sec. 1813(c)(2) and (3).

(16) "Director" means the director of the Washington state department of financial institutions.

(17) "Fiduciary record" means a matter written, transcribed, recorded, received, or otherwise in the possession or control of a trust company, whether in physical or electronic form, that is necessary to preserve information concerning an act or event relevant to an account or a client of a trust company.

(18) "Foreign bank" means a foreign bank, as defined in section 1(b)(7) of the international banking act of 1978, chartered to act as a fiduciary in a state other than Washington state. As used in this title, "foreign bank" excludes an alien bank authorized to do business in ~~((this))~~ Washington state under chapter 30A.42 RCW.

(19) "Home state" means:

(a) With respect to a federally chartered trust institution and a foreign bank, the state in which such institution maintains its principal office; and

(b) With respect to any other trust institution, the state which chartered such institution.

(20) "Home state regulator" means the trust institutions supervisory agency with primary responsibility for chartering and supervising an out-of-state trust institution.

(21) "Host state" means a state, other than the home state of a trust institution, or a foreign country in which the trust institution maintains or seeks to acquire or establish an office.

(22) "Insolvent" means a circumstance or condition in which a state trust company:

(a) Has actual cash market value of its assets which are insufficient to pay its liabilities to its creditors;

(b) Is unable or lacks the means to meet its current obligations as they come due in the regular and ordinary course of business, even if the value of its assets exceeds its liabilities;

(c) Sells or attempts to sell substantially all of its assets other than as provided in RCW 30B.44A.050 or merges or attempts to merge substantially all of its assets or business with another entity other than as provided by chapter 30B.53 RCW; or

(d) Attempts to dissolve or liquidate without approval of the director under chapter 30B.44A RCW;

(e) After demand in writing by the director, fails to cure any deficiency in its reserves as required by statute or rule;

(f) After written demand by the director, the stockholders fail to cure within the time prescribed by the director an impairment of the state trust company's capital or surplus; or

(g) Is insolvent within the meaning of the United States bankruptcy code.

(23) "Instrument" means a revocable or irrevocable trust document created inter vivos or testamentary or any custodial account agreement.

(24) "Internet trust business" means a trust business that holds itself out as a trustee or fiduciary to the general public of ~~((this))~~ Washington state by means of the internet or other electronic means.

(25) "Law firm" means a professional service corporation, professional limited liability company, or limited liability partnership, that is duly organized under the laws of ~~((this))~~ Washington state and whose shareholders, members, or partners, respectively, are exclusively attorneys.

(26) "Limited liability trust company" means an entity organized or reorganized under the ~~((limited liability company act of this state that is chartered as a trust company under this title))~~ provisions of RCW 30B.08.020 to operate as a state trust company in limited liability company form pursuant to the authority of the director under chapter 30B.08 RCW.

(27) "Loans and extensions of credit" means direct or indirect advances of funds by a state trust company to a person that are conditioned on the obligation of the person to repay the funds or that are repayable from specific property pledged by or on behalf of the person.

(28) "Manager" means a person elected to the board of a limited liability trust company.

(29) "Officer" means the presiding officer of the board, the principal executive officer, or another officer appointed by the board of a state trust company or other company, or a person or group of persons acting in a comparable capacity for the state trust company or other company.

(30) "Out-of-state trust institution" means a trust institution that is not a state trust company under this title.

(31) "Person" means an individual, a company, or any other legal entity.

(32) "Principal shareholder" means a person who owns or has the ability or power to vote, directly, acting through one or more other persons, or otherwise indirectly, ten percent or more of the outstanding shares or participation shares of any class of voting securities of a state trust company or other company.

(33) "Private trust" has the meaning set forth in RCW 30B.64.005.

(34) "Private trust company" has the meaning set forth in RCW 30B.64.005.

(35) ~~("Savings association" means a depository institution, other than a credit union, that is not a bank.~~

~~((36))~~ "Share(s)" means ~~((the))~~ a unit((s)) into which ~~((the))~~ a proprietary interest((s)) of a ~~((state))~~ trust ~~((company are))~~ institution is divided or subdivided by means of class((es)), series, relative rights, or preferences, and includes beneficial interests in a state trust company organized as a corporation or limited liability company.

~~((37))~~ (36) "State" means a state of the United States, the District of Columbia, a territory of the United States, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands, and the Northern Mariana Islands.

~~((38))~~(37) "State bank" means a bank authorized under Title 30A or 32 RCW to engage in trust business or an alien bank chartered or authorized under chapter 30A.42 RCW to ~~(engage in)~~exercise trust ((business))powers in ~~((this))~~Washington state.

~~((39))~~ "State savings association" means a savings association chartered or otherwise authorized under Title 33 RCW to act as a fiduciary by Washington state.

~~((40))~~(38) "State trust company" means a corporation or a limited liability company organized or reorganized under this title, including a trust company organized under the laws of Washington state before January 5, 2015.

~~((41))~~(39) "State trust institution," as used in chapter 30B.10 RCW, means a state trust company or an out-of-state trust institution engaged in trust business in ~~((this))~~Washington state.

~~((42))~~ "Subsidiary" means a company that is controlled by another person. Subsidiary includes a subsidiary of a subsidiary and a lower tier subsidiary.

~~((43))~~(40) "Trust business" means the performance of, or holding out by, a person to the public by advertisement, solicitation, or other means that the person is available to perform ~~((the powers of a state trust company))~~one or more of the essential functions of trust business set forth in RCW 30B.08.080(1) ((b) through (k), together with any other activity authorized for a state trust company by the director pursuant to RCW 30B.08.080(1)(c) that the director designates as trust business).

~~((44))~~(41) "Trust company" means a state trust company or any other company chartered to act as a fiduciary that is neither a depository institution nor a foreign bank.

~~((45))~~(42) "Trust department" means ~~((that))~~a division, subdivision, department, or group ((or groups)) of officers and employees of a ((trust company organized under the supervision of officers or employees to whom are designated))state bank authorized by the board of directors ((the performance of the fiduciary responsibilities of the trust company, whether or not the group or groups are so named))of the state bank to exercise trust powers pursuant to authority of the director granted pursuant to RCW 30A.08.150 or 32.08.210, as applicable.

~~((46))~~(43) "Trust deposits" means the client funds held by a state trust company and authorized to be deposited with itself pending investment, distribution, or payment of debts on behalf of the client.

~~((47))~~(44) "Trust institution" means a depository institution~~((s))~~or foreign bank engaged in trust business, or a trust company.

~~((48))~~(45) "Unauthorized trust activity" means to engage in trust business in ~~((this))~~Washington state without authority or exemption under this title.

(46) "Agent" has the same meaning as an agent at common law.

(47) "Federal trust institution" means a special purpose national banking association authorized by the office of the comptroller of the currency, pursuant to the national bank act, 12 U.S.C. Sec. 92a, whose charter is granted for the purpose of it engaging primarily or solely in trust or other fiduciary activities.

(48) "Shareholder" means the holder of a share as defined in this section.

(49) "Third-party service provider" includes an independent contractor or other person, which a trust institution has engaged to perform services to

facilitate the conduct of its business as a trust institution or affiliate, to perform the following functions:

- (a) Noninternet-based data storage;
- (b) Internet-related services, mobile applications, system and software development and maintenance, and security architecture, maintenance, and monitoring;
- (c) Data processing services;
- (d) Fiduciary activities or other contracted-for services constituting "trust business" under RCW 30B.04.005;
- (e) Activities related to the trading of securities, derivatives, and other commodities;
- (f) Bookkeeping, accounting, or similar functions; or
- (g) Data analytics with respect to customers or prospective customers, or use of algorithmic technology by the trust institution in the conduct of fiduciary management.

Sec. 3. RCW 30B.04.010 and 2014 c 37 s 303 are each amended to read as follows:

(1) A state trust company or out-of-state trust institution may register any name with the department in connection with establishing an office or otherwise engaged in trust business in ~~((this))~~ Washington state pursuant to this title, except that the director may determine that a name proposed to be registered is potentially misleading to the public and require the registrant to select a name which is not potentially misleading.

(2) Use of "trust" as part of a person's name or fictitious trade name, or as part of a trademark(;) or service mark in connection with transacting business with the public, or as part of advertising by any person to the public, is subject to the prohibitions and restrictions under RCW 30A.04.020.

Sec. 4. RCW 30B.04.040 and 2014 c 37 s 306 are each amended to read as follows:

~~((Notwithstanding any other provision of this title,))~~ A person is exempt from the requirement of a certificate of authority or approval under this title ~~((, or from regulation by the director pursuant to this title,))~~ if the person is:

(1) An individual, sole proprietor, or general partnership or joint venture composed of individuals;

(2) Engaging in business in ~~((this))~~ Washington state (a) as a national banking association or (b) as a federal mutual savings bank, federal stock savings bank, or federal savings and loan association under authority of the office of the comptroller of the currency;

(3) Acting in a manner otherwise authorized by law and within the scope of authority as an agent of a trust institution with respect to an activity which is not an unauthorized trust activity;

(4) Acting as a fiduciary solely by reason of being appointed by a court to perform the duties of a trustee, guardian, conservator, or receiver;

(5) While holding oneself out to the public as an attorney-at-law, law firm, or limited license legal technician, performing a service customarily performed as an attorney-at-law, law firm, or limited license legal technician in a manner approved and authorized by the supreme court of the state of Washington;

(6) Acting as an escrow agent pursuant to the escrow agent registration act, chapter 18.44 RCW, or in one's capacity as an authorized title agent under Title 48 RCW;

(7) Acting as trustee under a deed of trust delivered only as security for the payment of money or for the performance of another act;

(8) Receiving and distributing rents and proceeds of sale as a licensed real estate broker on behalf of a principal in a manner authorized by the Washington department of licensing;

(9) Engaging in a commodities or securities transaction or providing an investment advisory service in the capacity of a ~~((licensed and))~~ registered broker-dealer, investment advisor, or registered representative thereof, provided the activity is regulated by the department, the United States commodities futures trading commission, or the United States securities and exchange commission;

(10) Engaging in the sale and administration of an insurance product by an insurance company or agent licensed by the office of the insurance commissioner to the extent that the activity is regulated by the office of the insurance commissioner;

(11) Acting as trustee under a voting trust as provided by Washington state law;

(12) Acting as trustee by a public, private, or independent institution of higher education or a university system authorized under Washington state law, including its affiliated foundations or corporations, with respect to endowment funds or other funds owned, controlled, provided to, or otherwise made available to such institution with respect to its educational or research purposes;

(13) Acting as a private trust or private trust company to the extent exempt from regulation of the department as set forth in chapter 30B.64 RCW; or

(14) Engaging in other activities expressly excluded from the application of this title by rule of the director.

Sec. 5. RCW 30B.04.110 and 2014 c 37 s 313 are each amended to read as follows:

A state trust company may not pledge or create a lien on any of its assets except to secure the repayment of money borrowed or as ~~((otherwise))~~ specifically authorized ~~((or required by rules adopted under this chapter))~~ by RCW 30B.20.010, or by rule, or by a finding of the director that such conduct does not violate any other applicable law and serves the convenience of the state trust company and the public. An act, deed, conveyance, pledge, or contract in violation of this section is void.

Sec. 6. RCW 30B.08.020 and 2014 c 37 s 323 are each amended to read as follows:

(1) ~~((The provisions of RCW 30A.08.025 shall govern the organization, conversion, approval of the director, and other matters incidental to the formation and operation of a state trust company as a limited liability company.~~

~~((The director may adopt rules necessary to clarify, interpret, and implement this section.))~~ If the conditions of this section are met, an applicant to become a state trust company may organize as a limited liability trust company pursuant to this chapter. An applicant to become a state trust company, which is already organized as a limited liability company pursuant to chapter 25.15

RCW, may reorganize as and convert to a limited liability trust company under this title and be granted a certificate of authority pursuant to this chapter to operate as a state trust company if all conditions of this title are met.

(2)(a) Before a state trust company organized as a corporation may reorganize and convert to a limited liability trust company, the state trust company must obtain approval of the director.

(b)(i) To obtain approval under this subsection from the director, the state trust company must file a request for approval with the director at least sixty days before the day on which the state trust company becomes a limited liability trust company.

(ii) If the director does not disapprove the request for approval within sixty days from the day on which the director receives the request, the request is considered approved.

(iii) When taking action on a request for approval filed pursuant to this subsection, the director may:

(A) Approve the request;

(B) Approve the request subject to terms and conditions the director considers necessary; or

(C) Disapprove the request.

(3) To approve a request, the director must find that:

(a) The state trust company will operate in a safe and sound manner under a limited liability trust company structure; and

(b) The state trust company as a limited liability trust company has the characteristics set forth in subsections (4) and (5) of this section.

(4) Notwithstanding any provision to the contrary contained in chapter 25.15 RCW, a state trust company organized as or reorganized and converted to a limited liability trust company must be perpetual.

(5)(a) All rights, privileges, powers, duties, and obligations of a state trust company, which is organized as a limited liability trust company, and its members and managers shall be consistent with chapter 25.15 RCW, except the following:

(i) Permitting automatic dissolution or suspension of a limited liability company as set forth in RCW 25.15.265(1), pursuant to a statement of limited duration in a certificate of formation;

(ii) Permitting automatic dissolution or suspension of a limited liability company, pursuant to the limited liability company agreement, as set forth in RCW 25.15.265(2);

(iii) Permitting dissolution of the limited liability company agreement based upon agreement of all the members, as set forth in RCW 25.15.265(3);

(iv) Permitting dissociation of all the members of the limited liability company, as set forth in RCW 25.15.265(4); and

(v) Permitting automatic dissolution or suspension of a limited liability company, pursuant to operation of law, as otherwise set forth in chapter 25.15 RCW.

(b) Notwithstanding (a) of this subsection:

(i) For purposes of transferring a member's interests in the state trust company, a member's interest is treated like a share of stock in a corporation; and

(ii) If a member's interest is transferred voluntarily or involuntarily to another person, the person who receives the member's interest obtains the member's entire rights associated with the member's interest, including all economic rights and all voting rights.

(6)(a) Notwithstanding any provision of chapter 25.15 RCW or this section to the contrary, all voting members remain liable and responsible as fiduciaries of the limited liability trust company, regardless of resignation, dissociation, or disqualification, to the same extent that directors of a state trust company organized as a corporation would be or remain liable or responsible to the department.

(b) If death, incapacity, or disqualification of all members of the limited liability trust company would result in a complete dissociation of all members, then the state trust company is deemed nonetheless to remain in existence for purposes of the department having standing under chapter 30B.44B RCW to exercise the powers and authorities of a liquidating agent for the state trust company.

Sec. 7. RCW 30B.08.030 and 2014 c 37 s 324 are each amended to read as follows:

(1) An application ((to organize))for a certificate of authority to become a state trust company ((charter)) must be made under oath and in the form required by the director and must be supported by information, data, records, and opinions of counsel that the director requires including, without limitation and as requested by the department, authorizations by the incorporators and any proposed officer, director, manager, or managing participant to perform third-party background checks on them, plus fingerprints of these persons obtained from acceptable fingerprinting authorities.

(2) Consistent with RCW 30B.12.020(1), the application to organize a state trust company must propose as members of the board of directors not less than five directors, managers, or managing participants, at least two of whom shall not be officers, employees, or agents of the state trust company, or otherwise in control of the state trust company, either as a principal or in a representative capacity, as "control" is defined in RCW 30B.53.005.

(3) Prior to issuance of a certificate of authority by the department, the proposed members of the board of directors, as approved by the department, must each submit a declaration in conformity with RCW 30B.12.020(5).

(4) The application must be accompanied by all fees and deposits required by statute or by rule of the director.

((3))((5)) The director shall issue a certificate of authority to a state trust company ((charter)) only on proof that one or more viable markets exist within or outside of ((this))Washington state that may be served in a profitable manner by the establishment of the proposed state trust company. In making such a determination, the director shall:

(a) Examine the business plan which shall be submitted as part of the application for a certificate of authority to become a state trust company ((charter)); and

(b) Consider:

(i) The market or markets to be served;

(ii) Whether the proposed organizational and capital structure and amount of initial capitalization is adequate for the proposed business and location;

(iii) Whether the anticipated volume and nature of business indicates a reasonable probability of success and profitability based on the market sought to be served;

(iv) Whether the proposed officers, directors, and managers, or managing participants, as a group, have sufficient fiduciary experience, ability, standing, competence, trustworthiness, and integrity to justify a belief that the proposed state trust company will operate in compliance with law and that success of the proposed state trust company is probable;

(v) Whether each principal shareholder or participant has sufficient experience, ability, standing, competence, trustworthiness, and integrity to justify a belief that the proposed state trust company will be free from improper or unlawful influence or interference with respect to the state trust company's operation in compliance with law; and

(vi) Whether the organizers are acting in good faith.

~~((4))~~(6) The failure of an applicant to furnish required information, data, opinions of counsel, other material, or the required fee is considered an abandonment of the application.

Sec. 8. RCW 30B.08.040 and 2014 c 37 s 325 are each amended to read as follows:

(1) The director shall notify the organizers when the application is complete and accepted for filing and all required fees and deposits have been paid. ~~((Promptly after this notification, the organizers shall publish notice of the application and solicit comments in a form specified by the director at locations reasonably necessary to solicit the views of potentially affected persons specified by the director by rule.))~~

(2) At the expense of the organizers, the director shall investigate the application and inquire into the identity and character of each proposed director, manager, officer, managing participant, and principal shareholder or participant. ~~((The director shall prepare a written report of the investigation, and any person may request a copy of the nonconfidential portions of the application and written report under chapter 42.56 RCW.))~~

(3) ~~((Rules adopted under this chapter may specify the confidential or nonconfidential character of information obtained by the department under this section.))~~

~~(4))~~ The financial statement of a proposed officer, director, manager, or managing participant is confidential and not subject to public disclosure under chapter 42.56 RCW.

Sec. 9. RCW 30B.08.070 and 2014 c 37 s 328 are each amended to read as follows:

(1) ~~((Notwithstanding any other provision of this title,))~~ A state trust company shall be deemed a distinct ~~((species))~~ type of corporation or limited liability trust company whose ~~((charter))~~ certificate of authority may be granted, conditioned, canceled, or revoked only by the department.

(2) Title 23B RCW applies to a state trust company in corporation form and chapter 25.15 RCW in limited liability company form to the extent not inconsistent with this title or the business of a state trust company, except that:

(a) Any reference to the secretary of state means the director unless the context requires otherwise; and

(b) The right of shareholders or participants to cumulative voting in the election of directors or managers exists only if granted by the state trust company's articles of ~~((association))~~incorporation or limited liability company agreement.

(3) Unless expressly authorized by this title or a rule of the department, a state trust company may not take an action authorized by Title 23B RCW or chapter 25.15 RCW regarding its corporate status, capital structure, or a matter of corporate governance, of the type for which Title 23B RCW or chapter 25.15 RCW would require a filing with the secretary of state if the state trust company were a business corporation, without first submitting the filing to the director for the same purposes for which it otherwise would be required to be submitted to the secretary of state.

(4) The department may adopt rules to limit or refine the applicability of subsection (2) of this section to a state trust company or to alter or supplement the procedures and requirements of Title 23B RCW or chapter 25.15 RCW applicable to an action taken under this chapter.

Sec. 10. RCW 30B.08.080 and 2014 c 37 s 329 are each amended to read as follows:

(1) Upon the issuance of a certificate of authority to a state trust company as prescribed in this chapter and its commencement of business pursuant to such certificate of authority, ~~((the persons named in the articles of incorporation and their successors))~~ it shall ((thereupon become)) ~~be~~ a corporation or limited liability company ~~((and may engage in trust business and other business, including without limitation:~~

~~(a) Subject to RCW 30B.08.070, exercising the powers of a Washington business corporation under Title 23B RCW or a Washington limited liability company under chapter 25.15 RCW reasonably necessary or helpful to enable exercise of its specific powers under this title;~~

~~(b) Receiving for safekeeping personal property of every description;~~

~~(c) Acting as assignee, bailee, conservator, custodian, recordkeeper, escrow agent, registrar, receiver, or transfer agent;~~

~~(d) Acting as financial advisor, investment advisor or manager, agent, or attorney in fact in any agreed upon capacity;~~

~~(e) Accepting or executing trusts, including:~~

~~(i) Acting as trustee under a written agreement;~~

~~(ii) Receiving money or other property in its capacity as trustee for investment in real or personal property;~~

~~(iii) Acting as trustee and performing the fiduciary duties committed or transferred to it by a valid and applicable court order;~~

~~(iv) Acting as trustee of the estate of a deceased person;~~

~~(v) Acting as trustee for a minor or incapacitated person;~~

~~(vi) Acting as a trustee of collective investment funds or common trust funds; or~~

~~(vii) Acting as a trustee of statutory or similar trusts;~~

~~(f) Administering in any other fiduciary capacity real or tangible personal property;~~

~~(g) Acting as an executor, administrator, guardian, or conservator;~~

~~(h) Acting as an assignee, receiver, agent, or custodian;~~

~~(i) Acting pursuant to valid and applicable court order as executor or administrator of the estate of a deceased person or as a guardian or conservator for a minor or incapacitated person;~~

~~(j) Acting in any capacity in which one exercises investment discretion on behalf of another;~~

~~(k) Exercising any incidental power or ancillary that is reasonably necessary to enable it to fully exercise, according to commonly accepted fiduciary customs and usages, the trust powers authorized by this title;~~

~~(l) Acting as a manager of a limited liability company, limited liability partnership, or similar entity;~~

~~(m) Acting as the registrar of stocks and bonds;~~

~~(n) Acting as an escrow agent, escrow holder, or managing agent;~~

~~(o) Acting as a corporate bond and transfer paying agent;~~

~~(p) Acting as a sponsoring or other member of any clearing corporation with respect to securities or other property; or~~

~~(q) Acting in any other capacity or for any other activity as determined or approved by the director)) for the purpose of engaging in trust business under this title, including:~~

~~(a) Accepting or executing trusts, including:~~

~~(i) Acting as trustee under a written agreement;~~

~~(ii) Receiving money or other property in its capacity as trustee for investment in real or personal property;~~

~~(iii) Acting as trustee and performing the fiduciary duties committed or transferred to it by a valid and applicable court order;~~

~~(iv) Acting as trustee of the estate of a deceased person;~~

~~(v) Acting as trustee for a minor or incapacitated person;~~

~~(vi) Acting as a trustee of collective investment funds or common trust funds; or~~

~~(vii) Acting as a trustee of statutory or similar trusts;~~

~~(b) Acting as an attorney-in-fact in any agreed upon capacity;~~

~~(c) Acting pursuant to court order as executor, administrator, guardian, or conservator of an estate; or~~

~~(d) Regularly engaging in any other activity that the director determines by rule to be an essential function of a trust business in Washington state upon his or her finding that (i) the proposed activity of the applicant is closely akin to acting as a fiduciary, (ii) the proposed activity cannot be more effectively regulated under a statute of Washington state other than this title, and (iii) the exercise of such powers by the applicant in Washington state (A) would serve the convenience and advantage of trustors and beneficiaries, or the general public, and (B) would maintain the fairness of competition and parity between state trust companies and, as applicable, federal trust institutions or out-of-state trust institutions.~~

(2) The state trust company also shall be a corporation or limited liability company for the purposes of engaging in trust business under this title if the director otherwise issues a written finding, pursuant to a specific application for a certificate of authority to do business as a state trust institution in Washington state pursuant to this chapter or chapter 30B.38 RCW, that all of the criteria set forth in subsection (1)(d) of this section exist in relation to the applicant.

(3) Pursuant to such certificate of authority, a state trust company may also perform incidental activities, other than trust business, which include:

(a) Acting as a bailee or receiving for safekeeping personal property;

(b) Acting as a custodian for money or its equivalent, or for other personal property, which conduct has not otherwise been determined by rule to be trust business pursuant to subsection (1)(d) of this section;

(c) Acting as a recordkeeper for a retirement plan;

(d) Acting as the registrar of or transfer agent for stocks and bonds;

(e) Acting as a sponsoring or other member of any clearing corporation with respect to securities or other property;

(f) Acting as an escrow agent, escrow holder, or managing agent;

(g) Acting as a receiver;

(h) Acting as a manager of a limited liability company, limited liability partnership, or similar entity; or

(i) Conducting such other incidental activities permissible for a state trust company as the director shall prescribe by rule.

(4) The director may prescribe rules for the safe and sound exercise of the powers enumerated in subsections (1) and (3) of this section.

((~~(3)~~)(5) A trust department of a state commercial bank, to the extent authorized under ((Title 30A or 32)) RCW 30A.08.150, ((as applicable,)) or a trust department of a state savings ((association))bank, to the extent authorized under ((Title 33)) RCW 32.08.210, may exercise all of the powers and authorities of a state trust company under this title((, including in relation to corporate governance matters)).

(6) A state trust company, when acting in a fiduciary capacity, either alone or jointly with an individual or individuals, may, with the consent of such individual or individuals, who are hereby authorized to give such consent, cause any stocks, securities, or other property held or acquired to be registered and held in the name of a nominee or nominees of the state trust company without mention of the fiduciary relationship. Any such fiduciary shall be liable for any loss occasioned by the acts of any of its nominees with respect to such stocks, securities, or other property so registered.

Sec. 11. RCW 30B.08.090 and 2014 c 37 s 330 are each amended to read as follows:

(1) Notwithstanding any restrictions, limitations, and requirements of law, in addition to all powers, express or implied, that a state trust company has under the laws of ~~((this))~~ Washington state, a state trust company has the powers and authorities conferred as of ~~((January 5, 2015))~~ the effective date of this section, upon a ~~((federally chartered trust company doing business in this state))~~ federal trust institution. A state trust company may exercise the powers and authorities conferred on a ~~((federally chartered trust company))~~ federal trust institution after this date only if the director finds that the exercise of such powers and authorities:

(a) Serves the convenience and advantage of trustors and beneficiaries, or the general public; and

(b) Maintains the fairness of competition and parity between state trust companies and federally chartered trust companies.

(2) Notwithstanding any other provisions of law, a state trust company has the trust-related and fiduciary-related powers and authorities of an out-of-state

trust institution (~~(approved by the director under chapter 30B.38 RCW)~~)that is not a functionally unregulated out-of-state institution under RCW 30B.38.090.

(3) As used in this section, "powers and authorities" include without limitation powers and authorities in corporate governance and operational matters.

(4) The restrictions, limitations, and requirements applicable to specific powers and authorities of federally chartered trust companies and out-of-state (~~state~~) trust institutions, as applicable, shall apply to state trust companies exercising those powers or authorities permitted under this section but only insofar as the restrictions, limitations, and requirements relate to exercising the powers or authorities granted trust companies solely under this section.

(5) Notwithstanding any other provisions of law, in addition to all powers enumerated by this title, and those necessarily implied therefrom, a state trust company may engage in other business activities that have been determined by the board of governors of the federal reserve system or by the United States congress to be closely related to the business of banking, as of (~~January 5, 2015~~)the effective date of this section.

(6) A state trust company that desires to perform an activity that is not authorized by subsection (5) of this section shall first apply to the director for authorization to conduct such activity. Within thirty days of the receipt of this application, the director shall determine whether the activity is closely related to the business of banking, whether the public convenience and advantage will be promoted, whether the activity is apt to create an unsafe and unsound practice by the state trust company, and whether the applicant is capable of performing such an activity. If the director finds the activity to be closely related to the business of banking and the state trust company is otherwise qualified, he or she shall immediately inform the applicant that the activity is authorized. If the director determines that such activity is not closely related to the business of banking or that the state trust company is not otherwise qualified, he or she shall promptly inform the applicant in writing. The applicant shall have the right to appeal from an unfavorable determination in accordance with the procedures of the administrative procedure act, chapter 34.05 RCW. In determining whether a particular activity is closely related to the business of banking, the director shall (~~be guided~~)consider but is not bound by the rulings of the board of governors of the federal reserve system and the comptroller of the currency (~~in making determinations in connection with the powers exercisable by bank holding companies, and the activities performed by other commercial banks or their holding companies~~)).

(7) Notwithstanding any of the powers and authorities granted to a state trust company under this section, the director may, upon written notice to a state trust company, disallow any such power or authority if the director finds that such power and authority cannot be exercised by the state trust company in a safe or sound manner.

NEW SECTION. Sec. 12. A new section is added to chapter 30B.10 RCW to read as follows:

SCOPE OF CHAPTER—NONEXCLUSIVE REMEDIES.

(1) This chapter sets forth the authority of the department to supervise and examine state trust institutions and to seek adjudicative enforcement remedies against persons, and their affiliates, officers, directors, managers, employees,

and agents, engaged in authorized or nonauthorized and nonexempt trust business in Washington state.

(2) None of the provisions in this chapter shall be deemed to be an exclusive remedy of the department, and the department may, as applicable, exercise other remedies set forth elsewhere in this title and in other Washington law including, without limitation:

(a) The issuance of a supervisory directive, nonadjudicative corrective action order, or nonadjudicative order of conservatorship pursuant to chapter 30B.46 RCW; and

(b) The issuance of nonadjudicative orders for involuntary dissolution and liquidation of a state trust company pursuant to chapter 30B.44B RCW.

NEW SECTION, Sec. 13. A new section is added to chapter 30B.10 RCW to read as follows:

DEFINITIONS.

As used in this chapter, unless the context clearly appears otherwise, the terms in this section mean:

(1) "Affiliate" means the same as defined in RCW 30B.04.005.

(2) "Agent" means the same as defined in RCW 30B.04.005.

(3) "Cause of action" means any of the acts or omissions giving rise to a violation under this chapter for which the department can pursue administrative remedies.

(4) "Presiding officer" means a person who qualifies as a presiding officer under RCW 34.05.425 and has been authorized to act as presiding officer in an administrative proceeding under this chapter.

(5) "Respondent" means a person against whom the director has issued a notice and statement of charges pursuant to this chapter.

(6) "Third-party service provider" means the same as in RCW 30B.04.005.

Sec. 14. RCW 30B.10.005 and 2014 c 37 s 333 are each amended to read as follows:

(1) ~~((In addition to his or her supervision authority over the trust business of state banks and state savings associations,))~~The director shall exercise supervision authority over state trust companies and also over out-of-state trust institutions as set forth in this chapter or to the extent provided for in cooperative agreements made by the director with the home states of out-of-state trust institutions pursuant to RCW 30B.38.060.

(2) The director shall execute and enforce through the department and such other agents as exist on or after January 5, 2015, all laws which exist on or after January 5, 2015, relating to state trust companies and out-of-state trust institutions engaged in trust business in ~~((this))~~Washington state.

(3) For the more complete and thorough enforcement of the provisions of this title, the department is authorized to adopt rules not inconsistent with the provisions of this title, as may, in its opinion, be necessary to carry out the provisions of this title and as may be further necessary to insure safe and sound management of trust institutions under its supervision taking into consideration the appropriate interest of the creditors, stockholders, participants, and the public in their relations with such trust institutions.

(4) A state trust company shall conduct its business in a manner consistent with all laws relating to trust companies, and all rules, regulations, and instructions that may be adopted or issued by the department.

NEW SECTION. Sec. 15. A new section is added to chapter 30B.10 RCW to read as follows:

EXAMINATIONS—REQUIREMENTS FOR DIRECT EXAMINATION OF THIRD-PARTY SERVICE PROVIDERS.

(1) The director shall visit each state trust company at least once every twenty-four months, and more often as determined by the director, for the purpose of making a full investigation into the condition of such state trust company.

(2) The director may make such other full or partial examinations as deemed necessary and may visit and examine any affiliate of a state trust company, obtain reports of condition for any such affiliate, and shall have full access to all the books, records, papers, securities, correspondence, bank accounts, and other papers of such business for such purposes.

(3) Before the director may issue notice of its intent to visit and directly examine a third-party service provider without a subpoena pursuant to RCW 30B.10.120, the director must find:

(a) That the third-party service provider either:

(i) Performs services for the state trust company that appear to be necessary for the state trust company to meet its fiduciary duty, operate in a safe and sound manner, or otherwise comply with this title and other applicable law; or

(ii) Appears that the state trust company cannot extricate itself from its client-vendor relationship without adverse material consequences or prolonged delay, including inability to timely find a replacement vendor as third-party service provider;

(b) That either:

(i) The information sought by the director cannot be otherwise accessed or verified by the records of the state trust company without direct examination of the records of the third-party service provider that relate to the state trust company; or

(ii) The third-party service provider manages an application, process, or system for the benefit of the state trust company, the integrity of which cannot be evaluated without direct examination; and

(c) That it appears prior to direct examination of the third-party service provider that an act or omission of the third-party service provider sought to be examined has resulted in a significant heightened risk of the state trust company not meeting its fiduciary duty, committing an unsafe practice or operating in an unsafe or unsound manner, or otherwise violating a provision of this title or other applicable law.

(4) Subject to notice to a state trust company and its third-party service provider accompanied by a written finding by the director that the conditions of subsection (3) of this section have been met, the director may visit and directly examine a third-party service provider of a state trust company in order to determine whether the state trust company, on account of an act or omission of the third-party service provider, is in compliance with this title and other applicable law including, without limitation, the provisions of chapter 30B.24 RCW. If prerequisites for direct examination of such third-party service provider

conform to this subsection, then a subpoena pursuant to RCW 30B.10.120 shall not be required prior to a visitation and examination of such third-party service provider.

(5) Any willful false swearing in any examination is perjury in the second degree.

(6) The director may enter into cooperative and reciprocal agreements with the trust institution regulatory authorities of the United States and other states and United States territories, for the periodic examination of state trust institutions and their affiliates. The director may accept reports of examination and other records from such authorities in lieu of conducting his or her own examinations. The director may enter into joint actions with other regulatory bodies having concurrent jurisdiction or may enter into such actions independently to carry out his or her responsibilities under this title and assure compliance with the laws of Washington state.

(7) Copies from the records, books, and accounts of a state trust institution or its affiliate shall be competent evidence in all cases, equal with originals thereof, if there is attached to such copies ~~((an affidavit taken before a notary public or clerk of a court under seal,))~~ a declaration under penalty of perjury stating that the ~~((affiant))~~ declarant is the officer of the state trust institution or its affiliate having charge of the original records, and that the copy is true and correct and is full so far as the same relates to the subject matter therein mentioned.

Sec. 16. RCW 30B.10.040 and 2014 c 37 s 337 are each amended to read as follows:

(1) The director is authorized to adopt rules governing the examination standards for a state trust ~~((companies))~~ company, trust department, third-party service provider, and other persons subject to investigation and examination under this title, including the application by rule of examination standards of other federal and state financial institutions regulators and standards adopted ~~((incident to))~~ from cooperative agreements made by the director under RCW 30B.38.060.

(2) Subject to subsection (3) of this section, such rules shall not be inconsistent with the uniform interagency trust rating system, or its equivalent, of the federal financial institutions examination council or its successor agency; and subject to subsection (3) of this section, the director shall apply the standards of the uniform interagency trust rating system, or its equivalent, in its examination and rating of state trust companies and other persons subject to investigation and examination under this title to the extent that the department has not adopted applicable rules.

(3) Notwithstanding subsection (2) of this section, the director may, in lieu of or in addition to applicable rules, prescribe special conditions for a new state trust company or an out-of-state trust company doing business in Washington state, to the extent that such special conditions contain standards of examination and rating for the state trust company or out-of-state trust company that the director deems necessary to address circumstances including, without limitation, an emerging business model, which do not appear to the director to be contemplated or adequately addressed by the uniform interagency trust rating system, or its equivalent, of the federal financial institutions examination council or its successor agency.

Sec. 17. RCW 30B.10.050 and 2014 c 37 s 338 are each amended to read as follows:

(1) Each person subject to the requirement of a certificate of authority ~~((or))~~ or approval from the director ~~((, its subsidiaries,))~~ pursuant to RCW 30B.04.050, and ~~((their respective))~~ any director(s), officer(s), manager, employee(s), ~~((and))~~ or agent(s) of such person, shall not engage in any unauthorized trust activity and shall comply with:

(a) This title and Title 11 RCW;

(b) The rules adopted by the director pertaining to this title and compliance with Title 11 RCW;

(c) Any condition in the department's certificate of authority of a state trust company or in the department's approval of an out-of- state trust company doing business in Washington state including, without limitation, any condition of certificate of authority or approval made pursuant to RCW 30B.10.040(3);

~~((d))~~ Any lawful ~~((directive or))~~ order of the director;

~~((d))~~ ~~((e))~~ Any lawful supervisory agreement with the director or supervisory directive of the director; and

~~((e))~~ ~~((f))~~ All applicable federal laws and regulations affecting trust institutions subject to the authority of the director.

(2) Each ~~((holding company))~~ affiliate of a person subject to the authority of the director under this title, and ~~((its))~~ any director(s), officer(s), manager, employee(s), ~~((and))~~ or agent(s) of such affiliate, shall not engage in any unauthorized trust activity and shall comply with:

(a) The provisions of this title ~~((that are applicable to each of them))~~ and Title 11 RCW, to the extent that any act or omission of the affiliate, or a director, officer, manager, employee, or agent of such affiliate, affects the safety and soundness and compliance with the law of a person subject to the authority of this title;

(b) The rules adopted by the director with respect to such ~~((holding companies))~~ affiliate;

(c) Any lawful ~~((direction or))~~ order of the director;

(d) Any lawful supervisory agreement with the director or supervisory directive of the director; and

(e) All applicable federal laws and regulations affecting a trust institution ~~((s))~~ or its affiliate subject to the authority of the director.

(3) The violation of any supervisory agreement, supervisory directive, order, statute, rule, or regulation referenced in this section, in addition to any other penalty provided in this title, shall, at the option of the director, subject the offender to a penalty of up to ten thousand dollars for each offense, payable upon issuance of any order or directive of the director, which may be recovered by the attorney general in a civil action in the name of the department.

Sec. 18. RCW 30B.10.060 and 2014 c 37 s 339 are each amended to read as follows:

The powers and duties of the director and required practices and procedures of the department with respect to all enforcement authority conferred by this title shall be subject to the Washington administrative procedure act, chapter 34.05 RCW, consistent with the administrative procedures applicable to ~~((enforcement actions against banks, their holding companies, and their officers, directors,~~

employees, and agents, as set forth in Title 30A RCW, including but not limited to the following:

- (1) Notice of administrative charges under RCW 30A.04.450;
- (2) The provisions relating to grounds for, procedure for obtaining, and the effective date of emergency temporary orders under RCW 30A.04.455 through 30A.04.465, inclusive;
- ~~(3) Enforcement of department orders under RCW 30A.04.470 and 30A.04.475;~~
- ~~(4) Grounds for removal of officers, directors, and employees under RCW 30A.12.040;~~
- ~~(5) Procedure for suspension of an officer, director, or employee under RCW 30A.12.0401; and~~
- ~~(6) Notice of charges for removal of officers, directors, and employees under RCW 30A.04.042))~~this chapter.

Sec. 19. RCW 30B.10.070 and 2014 c 37 s 340 are each amended to read as follows:

In addition to any other powers conferred by this title, the director shall have the power, consistent with the requirements of ~~((RCW 30B.10.060))~~this chapter, to order:

(1) ~~((Order))~~Any person ((under authority of the director under this title)), its ((holding company, its subsidiary))affiliate, or any ((of their)) director((s)), officer((s)), manager, employee((s)), or agent((s))of such person or its affiliate, subject to the authority of RCW 30B.10.050, to cease and desist engaging in any unauthorized trust activity or violating any provision of this title or any lawful rule;

(2) ~~((Order))~~Any ((authorized))state trust institution, its ((holding company, its subsidiary))affiliate, or any ((of their)) director((s)), officer((s)), manager, employee((s)), or agent((s))of the state trust institution or its affiliate to cease and desist from a course of conduct that is unsafe or unsound ((and))or which is likely to cause insolvency or dissipation of assets or is likely to jeopardize or otherwise seriously prejudice the interests of the public in their relationship with the ((authorized))state trust institution;

(3) ~~((Order any person to cease engaging in an unauthorized trust activity; and~~

~~Enter any order pursuant to RCW 30B.38.070.))~~Any person, its affiliate, or any director, officer, manager, employee, or agent of such person or its affiliate, subject to the authority of RCW 30B.10.050, to take affirmative action to avoid or refrain from unauthorized trust activity, an unsafe or unsound practice, or other violation of this title;

(4) The imposition of fines;

(5) Restitution to beneficiaries, trustors, or other aggrieved persons;

(6) Costs and expenses related to investigation and enforcement, including attorney fees; and

(7) Other remedies authorized by law.

NEW SECTION. Sec. 20. A new section is added to chapter 30B.10 RCW to read as follows:

HEARING—WHO MAY CONDUCT—AUTHORITY.

(1) A hearing pursuant to a notice of charges under this chapter must be conducted in accordance with chapter 34.05 RCW, except to the extent otherwise provided in this chapter.

(2) Such hearing may be held at a place designated by the director and, at the option of the director, may be conducted by a delegated presiding officer whom the director appoints without referral to the office of administrative hearings.

(3) The hearing shall be conducted in accordance with this chapter, chapter 34.05 RCW, and chapters 10-08 and 208-08 WAC.

(4) If the department elects to conduct a hearing as permitted by subsection (2) of this section, the director must appoint a presiding officer from outside the division of banks, who may be either an employee from another division, an independent contractor, or an administrative law judge of the office of administrative hearings.

(5) Such hearing shall be private unless the director determines that a public hearing is necessary to protect the public interest upon good cause shown in a motion by the respondent, if any, to make the hearing public.

(6) The director may elect to either retain authority to issue a final order or may delegate such authority to the presiding officer appointed pursuant to subsection (2) of this section.

NEW SECTION. Sec. 21. A new section is added to chapter 30B.10 RCW to read as follows:

**NOTICE OF CHARGES—REASONS FOR ISSUANCE—GROUNDS—
CONTENTS OF NOTICE.**

(1) The director may issue and serve a notice of charges upon:

(a) A state trust institution;

(b) An affiliate of a state trust institution;

(c) A director, officer, manager, employee, or agent of a state trust institution or its affiliate; or

(d) Any other person subject to the jurisdiction of the department under this title including, without limitation, a person engaged in unauthorized trust activity.

(2) Such notice of charges may be issued to and served upon any person or entity described in subsection (1) of this section whenever such person or entity:

(a) Has engaged in an unsafe or unsound practice;

(b) Has violated any provision of RCW 30B.10.050; or

(c) Is planning, attempting, or currently conducting any act prohibited in (a) or (b) of this subsection.

(3) The notice shall contain a statement of the facts constituting the acts or omissions specified in subsection (2) of this section.

(4) The notice shall set a time and place at which a hearing will be held to determine whether the following remedies should be granted:

(a) An order to cease and desist any of the acts or omissions specified in subsection (2) of this section;

(b) An order compelling affirmative action to redress any of the acts or omissions specified in subsection (2) of this section;

(c) An order imposing fines as authorized by RCW 30B.10.070;

(d) Restitution to beneficiaries, trustors, or other aggrieved persons;

(e) Costs and expenses related to investigation and enforcement, including attorney fees; and

(f) Other remedies authorized by law.

NEW SECTION, Sec. 22. A new section is added to chapter 30B.10 RCW to read as follows:

TIME FOR HEARING—DEFAULT.

(1) The hearing shall be held not earlier than ten days or later than thirty days after service of the notice set forth in section 21 of this act, unless a later date is set by the director for good cause as requested by the respondent.

(2) Unless the respondent appears at the hearing set forth in subsection (1) of this section, a default order granting any of the remedies or sanctions set forth in the notice and statement of charges may be issued by the presiding officer, consistent with RCW 34.05.440(2).

(3) A respondent may file with the presiding officer, within seven days of service of the default order, a motion to set aside a default order consistent with RCW 34.05.440(3). If the presiding officer does not issue a ruling within five business days of the motion being filed, then the motion to set aside is denied.

NEW SECTION, Sec. 23. A new section is added to chapter 30B.10 RCW to read as follows:

ADMINISTRATIVE HEARING—PROCEDURE—ORDER—NO STAY ON JUDICIAL REVIEW.

(1) The presiding officer shall have sixty days after the hearing to issue an order, including findings of fact and conclusions of law, consistent with RCW 34.05.461(3).

(2) If the director has not delegated his or her authority to a presiding officer to issue a final order, a party may bring a petition for review of the presiding officer's initial order before the director, consistent with RCW 34.05.464.

(3) If the director has previously delegated his or her authority for the presiding officer to issue a final order, then the order of such presiding officer shall be final and may be appealable to the superior court of Washington, consistent with RCW 34.05.514.

(4) The commencement of proceedings for judicial review shall not operate as a stay of any order issued by the director unless specifically ordered by the court.

Sec. 24. RCW 30B.10.080 and 2014 c 37 s 341 are each amended to read as follows:

~~((The director has the power to require the suspension and removal from office of any officer, director, or employee of any trust institution subject to the director's authority, its holding company, or its subsidiary, who shall be found to be dishonest, incompetent, or reckless in the management of the affairs of the institution, or who persistently violates the laws of this state or the lawful orders, instructions, and rules issued or adopted by the department.))~~(1) In addition to the remedies set forth in RCW 30B.10.070, the director may, as applicable, issue and serve a current or former director, officer, manager, or employee of a state trust company or its affiliate with written notice of intent to remove such person from office or employment, or to prohibit such person from participating in the conduct of the affairs of the state trust company, its affiliate, or any depository

institution, trust company, or affiliate of such depository institution or trust company, doing business in Washington state, whenever:

(a) Such person has committed an unsafe or unsound practice or a violation or practice involving a breach of fiduciary duty, personal dishonesty, recklessness, or incompetence; and

(b)(i) The state trust company has suffered or is likely to suffer substantial financial loss or other damage as a result of the person's acts or omissions as set forth in (a) of this subsection; or

(ii) The interests of beneficiaries, trustees, shareholders, or the general public could be seriously prejudiced by reason of the person's acts or omissions as set forth in (a) of this subsection.

(2) The director may also serve upon the same respondent a written notice and order suspending the respondent from further participation in any manner in the conduct of the affairs of the state trust company, its affiliate, or any depository institution, trust company, or affiliate of such depository institution or trust company, doing business in Washington state, pending resolution of the charges made pursuant to subsection (1) of this section, if the director determines that such an action is necessary for the protection of: The state trust company or its affiliate; the interests of beneficiaries, trustees, or shareholders of the state trust company or its affiliate; the interests of any depository institution or its depositors, trust beneficiaries, borrowers, or shareholders; or the general public.

(3) A suspension order issued by the director is effective upon service and, unless the superior court issues a stay of such order, such order shall remain in effect and enforceable until:

(a) The director dismisses the charges contained in the notice served on the person; or

(b) The effective date of a final order for removal of such person.

NEW SECTION. Sec. 25. A new section is added to chapter 30B.10 RCW to read as follows:

EMERGENCY ORDER—ISSUANCE—DIRECT JUDICIAL REVIEW ONLY—LIMITATION OR TIME—STANDARD OF JUDICIAL REVIEW.

(1) When the director finds it necessary for one or more of the purposes set forth in subsection (2) of this section, the director may issue and serve an emergency order upon:

(a) A state trust institution, its affiliate, a director, officer, manager, employee, or agent of such state trust institution or its affiliate, or any person subject to the authority of this title, requiring the respondent to take immediate affirmative action or immediately cease and desist from any act, practice, or omission or failure to act; or

(b) A director, officer, manager, or employee of a state trust company or its affiliate to suspend or remove such person from his or her office or employment with the state trust company or its affiliate pursuant to RCW 30B.10.080.

(2) Such emergency order may be issued to:

(a) Ensure the safety or soundness of the authorized trust institution;

(b) Prevent the state trust institution's insolvency or inability to pay its obligations in the ordinary course of business;

(c) Prevent significant or critical undercapitalization or substantial dissipation of assets;

(d) Compel timely compliance with a supervisory agreement, supervisory directive, or order of the director;

(e) Compel production of or access to its books, papers, records, or affairs as directed by the department or other applicable financial services regulator;

(f) Prevent immediate and irreparable harm to the public interest, interests of the trustors or beneficiaries, or condition of the state trust institution; or

(g) Prevent fraudulent activity.

(3) The emergency order must:

(a) Be served upon each entity or person subject to the order by personal delivery or registered or certified mail, return receipt requested, to the entity or person's last known address;

(b) State the specific acts or omissions at issue and require the entity or person to immediately comply with the order; and

(c) Contain a notice that a request for hearing may be filed by the respondent within ten days of service with the superior court, as set forth in subsection (5) of this section.

(4) Unless a respondent against whom the order is directed files a petition for judicial review with the court within ten days after the order is served under this section, the order is nonappealable and any right to a hearing is deemed conclusively waived as to that respondent.

(5) A petition for judicial review must:

(a) Be filed with the superior court of the county of the principal place of business of the respondent or, in the case of the respondent not being domiciled in Washington state, the Thurston county superior court;

(b) State the specific respondents seeking review of the order; and

(c) State the specific grounds and authority to set aside or modify the order.

(6) Upon receipt of a timely filed petition for review, the court shall set the time and place of a hearing, no later than ten business days after the petition for review is filed, unless otherwise agreed by the parties.

(7) The department shall bear the burden of proof by a preponderance of evidence.

(8) Pending judicial review, the emergency order shall continue in full force and effect unless the order is stayed by the department.

NEW SECTION. Sec. 26. A new section is added to chapter 30B.10 RCW to read as follows:

ORDER OF PROHIBITION AGAINST THIRD-PARTY SERVICE PROVIDERS—GROUNDS—NOTICE.

(1) The director may issue and serve a state trust institution, or its affiliate, with written notice of intent to prohibit it from permitting a third-party service provider of such state trust institution or affiliate from participating in the conduct of the affairs of the state trust institution, whenever:

(a) The third-party service provider commits an unsafe or unsound practice, or a violation or practice involving a breach of fiduciary duty, personal dishonesty, recklessness, or incompetence; and

(b)(i) The state trust institution or its affiliate has suffered or is likely to suffer substantial financial loss or other damage; or

(ii) The interests of the state trust institution, or its affiliate, or their beneficiaries, trustors, shareholders, or the general public in Washington state could be seriously prejudiced by reason of the violation or practice of the third-party service provider.

(2) The director shall also serve any affected third-party service provider with the notice described in subsection (1) of this section, and such third-party service provider shall be deemed a real party in interest with the same right to notice and right to intervene in the administrative action and defend against it as if the third-party service provider were the respondent.

NEW SECTION. Sec. 27. A new section is added to chapter 30B.10 RCW to read as follows:

NOTICE OF INTENTION TO REMOVE OR PROHIBIT PARTICIPATION IN CONDUCT OF AFFAIRS—HEARING—ORDER OF REMOVAL AND/OR PROHIBITION.

(1) A notice pursuant to RCW 30B.10.080 or section 26 of this act shall:

(a) Contain a statement of the facts that constitute grounds for removal or prohibition; and

(b) Set a time and place at which a hearing will be held.

(2) The hearing shall be set not earlier than ten days or later than thirty days after the date of service of the notice unless an earlier or later date is set by the director at the request of the board trustee or director, officer, or employee for good cause shown or at the request of the attorney general of the state.

(3) Unless the respondent appears at the hearing personally or by a representative authorized under WAC 208-08-030, the respondent shall be deemed to have consented to the issuance of an order of removal or prohibition or both. In the event of such consent or if upon the record made at the hearing the director finds that any of the grounds specified in the notice have been established, the director may issue such order of removal or prohibition from participation in the conduct of the affairs of the state trust company, out-of-state trust company doing business in Washington state, or affiliate, as the director may consider appropriate.

(4) Any order under this section shall become effective at the expiration of ten days after service upon the respondent, except that an order issued upon consent shall become effective at the time specified in the order.

(5) An order shall remain effective except to the extent it is stayed, modified, terminated, or set aside by the director or a reviewing court.

NEW SECTION. Sec. 28. A new section is added to chapter 30B.10 RCW to read as follows:

AUTHORITY OF DIRECTOR TO SEEK REMOVAL BY THE BOARD OF A STATE TRUST COMPANY.

(1) In addition to any other remedy set forth in this chapter, the director may notify, in writing, the board of directors of any state trust company that the director has information that any member of the board of directors, officer, manager, employee, or agent of the state trust company or affiliate of the state trust company is dishonest, reckless, or incompetent, or is failing to perform any duty required of the state trust company or such affiliate.

(2) The board shall then meet to consider such matter as soon as reasonably feasible, but no later than thirty calendar days of the director's notice.

(3) The director shall have notice of the time and place of such meeting and an opportunity to appear at such meeting and address the board of directors concerning the director's information.

(4) If the board finds the director's information to be well-founded, and the affected member of the board of directors, officer, employee, or agent of the state trust company or such affiliate is working under an employment contract or independent contractor agreement that prohibits termination without cause, the board shall notify such member of the board of directors, officer, employee, or agent of the board's intent to remove him or her from the position, or to otherwise instruct such affiliate to do so, as applicable. Such notice shall be in writing and include:

(a) Notice of the allegations;

(b) Specific facts supporting the allegations; and

(c) A time and place at which such member of the board of directors, officer, employee, or agent will have an opportunity to be heard before a final action is taken by the board.

(5) Pursuant to subsection (4) of this section, the board shall set the time and place of the meeting no sooner than ten business days after such member of the board of directors, officer, employee, or agent receives notice of the board's intent to remove or terminate the contract.

(6) If the board finds the director's information to be well-founded, and the affected member of the board of directors, officer, manager, employee, or agent may be terminated without cause, such director, officer, manager, employee, or agent may be removed by the state trust company or such affiliate, or their contract may be terminated, at the option of the board.

(7) If the board does not remove such director, officer, employee, or agent, or if the board fails to meet, consider, or act upon the director's information within twenty days after receiving the same, then the director may within twenty days after, or earlier in the case of the necessity of an emergency order under RCW 30B.10.070, seek removal of such person by complying with the applicable provisions of this chapter.

(8) This section shall not be deemed to be an exclusive remedy of the department. The department may exercise any other remedies available to it under this chapter.

NEW SECTION. Sec. 29. A new section is added to chapter 30B.10 RCW to read as follows:

JURISDICTION OF COURTS AS TO THE DEPARTMENT'S ENFORCEMENT ORDERS.

(1) The director may apply to a superior court of Washington for the enforcement of any effective and outstanding final order issued pursuant to this chapter, and the superior court shall have jurisdiction to order compliance with such final order.

(2) No court shall have jurisdiction to affect by injunction or otherwise the department's issuance or enforcement of any order pursuant to this chapter, or to review, modify, suspend, terminate, or set aside such order, except as provided in this chapter.

(3) The venue for enforcement of a final order by the department under this chapter shall be the superior court in the county of the principal place of business of the person upon whom the order is imposed or, in the case of such person not

being domiciled in Washington state, the venue shall be Thurston county superior court.

Sec. 30. RCW 30B.10.100 and 2014 c 37 s 343 are each amended to read as follows:

~~((Any))~~A present or former director, officer, ~~((or))~~manager, employee, or agent of a state trust institution or ~~((holding company under authority of the director))~~affiliate, or any other person against whom there is outstanding an effective final order under authority of this chapter which has been duly served ~~((upon the))~~is guilty of a gross misdemeanor punishable under chapter 9A.20 RCW, if such person ~~((and who))~~thereafter:

(1) Participates in any manner in the conduct of the affairs of a state trust institution ~~((involved, or who))~~or affiliate;

(2) Directly or indirectly solicits or procures, transfers or attempts to transfer, or votes or attempts to vote any proxies, consents, or authorizations with respect to any voting rights in the state trust institution ~~((, or who,))~~or affiliate;

(3) Without the prior approval of the ~~((director))~~department, votes for a director ~~((or))~~;

(4) Serves or acts as a director, officer, manager, employee, or agent of any ~~((bank, savings association))~~depository institution, trust company, or ~~((holding company shall upon conviction for a violation of any order, be guilty of a gross misdemeanor punishable as prescribed under chapter 9A.20 RCW))~~affiliate of a depository institution or trust company doing business in Washington state.

Sec. 31. RCW 30B.10.110 and 2014 c 37 s 344 are each amended to read as follows:

(1) Notwithstanding any other provision of this title, the director may by rule or order prohibit any person from engaging in a trust business in ~~((this))~~Washington state contrary to the requirements of this title if the conduct of the trust business in ~~((this))~~Washington state by such person harms or is likely to harm the general public, or if it adversely affects the business of state trust institutions.

(2) The director may issue ~~((a temporary))~~an emergency cease and desist order against such person in the manner provided for in ~~((this chapter))~~section 25 of this act if the general public or state trust institutions are likely to be substantially injured by delay in issuing a cease and desist order.

(3) An order or rule made by the director pursuant to this section may require that any applicable person obtain a certificate of authority under chapter 30B.08 RCW as a condition of continuing to engage in a trust business in ~~((this))~~Washington state, subject to meeting all qualifications for grant of a state trust company certificate of authority under this title.

(4) This section does not apply to a person conducting business pursuant to RCW 30B.04.040, except for a person identifiable solely by reason of RCW 30B.04.040(1).

NEW SECTION. Sec. 32. A new section is added to chapter 30B.10 RCW to read as follows:

GENERAL PENALTY—EFFECT OF CONVICTION.

(1) A person who shall knowingly violate or knowingly aid or abet the violation of any provision of RCW 30B.10.050 shall be guilty of a misdemeanor.

(2) A director, officer, manager, employee, or agent of a state trust institution or affiliate who has had imposed upon him or her a criminal conviction for the violation of this title or any other financial services law of this or any other state or of the United States shall not be permitted to engage in or become or remain a board director, officer, manager, employee, or agent of any state trust company or its affiliate doing business in Washington state.

NEW SECTION. Sec. 33. A new section is added to chapter 30B.10 RCW to read as follows:

STATUTE OF LIMITATIONS.

(1) An action seeking any remedy under RCW 30B.10.070, 30B.10.080, or section 26 of this act shall commence no later than five years after the cause of action accrued.

(2) A cause of action under this section is deemed to have accrued at the later of the following events:

(a) The occurrence of the act or omission;

(b) When the department discovers or should have discovered that the act or omission has occurred;

(c) When the department discovers or should have discovered that the act or omission has negatively impacted the capital status or other element of safety or soundness of a state trust company or out-of-state trust company doing business in Washington state; or

(d) Where an act or omission is part of a pattern or practice, upon the occurrence of the most recent act or omission comprising the pattern or practice. A cause of action under this subsection may include all acts or omissions comprising the pattern or practice if the cause of action is timely as to the most recent act or omission.

Sec. 34. RCW 30B.12.020 and 2014 c 37 s 348 are each amended to read as follows:

(1) The board of a state trust company must consist of not fewer than five directors, managers, or managing participants, at least two of whom shall not be officers, managers, employees, or agents of the state trust company, or otherwise in control of the state trust company, either as a principal or in a representative capacity, as "control" is defined in RCW 30B.53.005. Except for a limited liability trust company in which management has been retained by its participants, the principal executive officer of the state trust company is a member of the board. The principal executive officer acting in the capacity of board member is the board's presiding officer unless the board elects a different presiding officer to perform the duties as designated by the board.

(2) Unless the director consents otherwise in writing, a person may not serve as director, manager, or managing participant of a state trust company if:

(a) The state trust company incurs an unreimbursed loss attributable to a charged-off obligation of or holds a judgment against the person or an entity that was controlled by the person at the time of funding and at the time of default on the loan that gave rise to the judgment or charged-off obligation as determined by the definition of "control" set forth in RCW 30B.53.005;

(b) The person has been convicted of a felony or a crime involving personal dishonesty; or

(c) The person has violated a provision of Washington state law, relating to loan of trust funds and purchase or sale of trust property by the trustee, and the violation has not been corrected.

(3) If a state trust company other than a limited liability trust company operated by managing participants does not elect directors or managers before the sixty-first day after the date of its regular annual meeting, the director may appoint a conservator under this title to operate the state trust company and elect directors or managers, as appropriate. If the conservator is unable to locate or elect persons willing and able to serve as directors or managers, the director may close the state trust company for liquidation.

(4) A vacancy on the board that reduces the number of directors, managers, or managing participants to fewer than five must be ~~((filed))~~ filled not later than the thirtieth day after the date the vacancy occurs. A limited liability trust company with fewer than five managing participants must add one or more new participants or elect a board of managers of not fewer than five persons to resolve the vacancy. After thirty days after the date the vacancy occurs, the director may appoint a conservator under this title to operate the state trust company and elect a board of not fewer than five persons to resolve the vacancy. If the conservator is unable to locate or elect five persons willing and able to serve as directors or managers, the director may close the state trust company for liquidation.

(5) Before each term to which a person is elected to serve as a director or manager of a state trust company, or annually for a person who is a managing participant, the person shall submit ~~((an affidavit))~~ a declaration under penalty of perjury for filing in the minutes of the state trust company stating that the person, to the extent applicable:

(a) Accepts the position and is not disqualified from serving in the position;

(b) Will not violate or knowingly permit an officer, director, manager, managing participant, or employee of the state trust company to violate any law applicable to the conduct of business of the state trust company; and

(c) Will diligently perform the duties of the position.

(6) An advisory director or manager is not considered a director if the advisory director or manager:

(a) Is not elected by the shareholders or participants of the state trust company;

(b) Does not vote on matters before the board or a committee of the board and is not counted for purposes of determining a quorum of the board or committee; and

(c) Provides solely general policy advice to the board.

(7) Notwithstanding any other provision of this section to the contrary, a state trust company shall have directors, managers, or managing participants, and committees or subcommittees composed of such directors, managers, or managing participants, consistent with the requirements of section 42 of this act and in conformity with the contents of the state trust company's written statement of principles of trust management, pursuant to section 43 of this act, as adopted by the board and subject to approval of the department.

Sec. 35. RCW 30B.12.040 and 2014 c 37 s 350 are each amended to read as follows:

(1) The board shall annually appoint the officers of the state trust company, who serve at the pleasure of the board. The state trust company must have a principal executive officer primarily responsible for the execution of board policies and operation of the state trust company and an officer responsible for the maintenance and storage of all corporate books and records of the state trust company and for required attestation of signatures. These positions may not be held by the same person. The board may appoint other officers of the state trust company as the board considers necessary.

(2) Unless expressly authorized by a resolution of the board recorded in its minutes, an officer, manager, or employee may not create or dispose of a state trust company asset or create or incur a liability on behalf of the state trust company.

(3) Unless otherwise approved by the director, the chief executive officer, the president, the chief operating officer, or the chief financial officer of a state trust company, or an officer of the state trust company with an equivalent function, must be a Washington state resident.

(4) Notwithstanding any other provision of this section to the contrary, the board of a state trust company shall designate officers and committees or subcommittees composed of such officers, consistent with the requirements of section 42 of this act and in conformity with the contents of the state trust company's written statement of principles of trust management, pursuant to section 43 of this act, as adopted by the board and subject to approval of the department.

Sec. 36. RCW 30B.12.060 and 2014 c 37 s 352 are each amended to read as follows:

The board of a state trust company is responsible for the proper exercise of fiduciary powers by the state trust company and each matter pertinent to the exercise of fiduciary powers, including:

(1) The determination of policies;
 (2) The investment and disposition of property held in a fiduciary capacity;
 ((and))

(3) The direction and review of the actions of each officer, manager, employee, ((and)) committee, and agent used by the state trust company in the exercise of its fiduciary powers; and

(4) Every other requirement of the board as set forth in section 42 of this act and in conformity with the contents of the state trust company's written statement of principles of trust management, pursuant to section 43 of this act, as adopted by the board and subject to approval of the department.

Sec. 37. RCW 30B.12.090 and 2014 c 37 s 355 are each amended to read as follows:

(1)(a) The board of directors is responsible for the proper exercise of fiduciary powers by the trust company. All matters pertinent thereto, including the determination of policies, the investment and disposition of property held in a fiduciary capacity, and the direction and review of the actions of all officers, employees, and committees utilized by the trust company in the exercise of its fiduciary powers, are the responsibility of the board. In discharging this responsibility, the board of directors may assign, by action duly entered in the minutes, the administration of such of the trust company's fiduciary powers as it

may consider proper to assign to such directors, officers, employees, or committees as it may designate.

(b) A fiduciary account may not be accepted without the prior approval of the board, or of the directors, officers, or committees to whom the board may have designated the performance of that responsibility.

(c) A written record shall be made of such acceptances and of the relinquishment or closing out of all fiduciary accounts. Upon the acceptance of an account for which the trust company has investment responsibilities a prompt review of the assets shall be made. The board shall also ensure that at least once during every calendar year thereafter, all the assets held in or for each fiduciary account where the bank has investment responsibilities are reviewed to determine the advisability of retaining or disposing of such assets.

(2) All officers and employees taking part in the operation of the state trust institution shall be adequately bonded.

(3) Every qualified fiduciary subject to this section and exercising fiduciary powers in ~~((this))~~ Washington state shall designate, employ, or retain legal counsel who shall be readily available to pass upon fiduciary matters and to advise the trust company and its state trust institution.

(4)(a) The state trust institution may utilize personnel and facilities of other departments of the trust company or its affiliates, and other departments of the trust company may utilize the personnel and facilities of the state trust institution or its affiliates only to the extent not prohibited by law and as long as the separate identity of the state trust institution is preserved.

(b) Pursuant to a written agreement, a trust company exercising fiduciary powers may perform services related to the exercise of fiduciary powers for another trust company or other entity, and may purchase services related to the exercise of fiduciary powers from another trust company or other entity.

(5) Fiduciary records shall be kept separate and distinct from other records of the trust company and maintained in compliance with RCW 30B.04.130. All fiduciary records shall be kept and retained for such time as to enable the fiduciary to furnish such information or reports with respect thereto as may be required by the director.

(6) Every such fiduciary shall keep an adequate record of all pending litigation to which it is a party in connection with its exercise of fiduciary powers.

(7) Notwithstanding any other provision of this section to the contrary, a state trust company and its directors, officers, managers, employees, and committees shall exercise administration of fiduciary powers consistent with the requirements of section 42 of this act and in conformity with the contents of the state trust company's written statement of principles of trust management, pursuant to section 43 of this act, as adopted by the board and subject to approval of the department.

Sec. 38. RCW 30B.12.100 and 2014 c 37 s 356 are each amended to read as follows:

~~((A committee of directors, exclusive of any active officers of the trust company, shall at least once during each calendar year make suitable audits of the state trust institution or cause suitable audits to be made by auditors responsible only to the board of directors, and at such time shall ascertain whether the department has been administered in accordance with law, this~~

~~section, and sound fiduciary principles. The board of directors may elect, in lieu of such periodic audits, to adopt an adequate continuous audit system. A report of the audits and examination required under this section, together with the action taken thereon, shall be noted in the minutes of the board of directors.))~~(1) A state trust company shall have a fiduciary audit committee, which shall exercise fiduciary responsibilities, administer fiduciary powers, and report to the board of directors consistent with the requirements of this section, section 42 of this act, and in conformity with the contents of the state trust company's written statement of principles of trust management, pursuant to section 43 of this act.

(2) At least once during each calendar year, a state trust company shall arrange for a suitable audit by internal or external auditors of all significant fiduciary activities, under the direction of its fiduciary audit committee, unless the state trust company adopts a continuous audit system in accordance with subsection (3) of this section. The state trust company shall note the results of the audit, including significant actions taken as a result of the audit, in the minutes of the board of directors.

(3) In lieu of performing annual audits under subsection (2) of this section, a state trust company may adopt a continuous audit system under which the state trust company arranges for a discrete audit by internal or external auditors of each significant fiduciary activity on an activity-by-activity basis, under the direction of its fiduciary audit committee, at an interval commensurate with the nature and risk of that activity. Under such a system, certain fiduciary activities may receive audits at intervals greater or less than one year, as appropriate. A state trust company that adopts a continuous audit system pursuant to this subsection shall note the results of all discrete audits performed since the last audit report, including significant actions taken as a result of the audits, in the minutes of the board of directors at least once during each calendar year.

(4) A state trust company's fiduciary audit committee may consist of the entire board of directors, or it may comprise either a committee of the bank's directors or an audit committee of an affiliate of the state trust company. However, in either case, the committee:

(a) Must not include any officers of the state trust company or an affiliate who participate significantly in the administration of the state trust company's fiduciary activities; and

(b) Must consist of a majority of members who are not also members of any committee to which the board of directors has delegated power to manage and control the fiduciary activities of the state trust company.

(5) The requirements of subsections (1) through (4) of this section shall be separate from and in addition to any audits of the nonfiduciary operations of the state trust company, if any.

NEW SECTION. Sec. 39. A new section is added to chapter 30B.12 RCW to read as follows:

FIDELITY BONDS—LIABILITY INSURANCE.

(1) Except as otherwise permitted by the director under specified terms and conditions, the board of directors of a state trust company shall direct and require good and sufficient fidelity bonds and liability insurance, issued by a company authorized to engage in the insurance business in the state of Washington, covering the state trust company and all of its active directors, officers, managers, and employees. Bonds or coverage shall provide for indemnity to the

state trust company on account of any losses sustained by it as the result of any dishonest, fraudulent, or criminal act or omission committed or omitted by directors, officers, managers, and employees, acting independently or in collusion or combination with any person. Such bonds or coverage may be individual, schedule, or blanket form, and premiums shall be paid by the state trust company.

(2) Except as otherwise permitted by the director under specified terms and conditions, the board of directors of a state trust company shall direct and require good and sufficient liability insurance, including errors and omissions coverage, for the negligent or reckless acts and omissions of directors, officers, fiduciary managers, and employees. Such coverage shall be paid by the state trust company.

(3) Except as otherwise permitted by the director under specified terms and conditions, the directors shall also direct and require suitable insurance protection to the state trust company, as necessary, against burglary, robbery, theft, and other similar insurance hazards to which the state trust company may be exposed in the operations of its business on the premises or elsewhere.

(4) The directors shall be responsible for prescribing at least once in each year the amount of such bonds or policies and the sureties or underwriters to be engaged, after giving due consideration to all known elements and factors constituting known risks or hazards. Such action of the directors shall be recorded in the board minutes.

(5) The director may by rule prescribe requirements for bond and insurance coverage that are more specific and derogation of the provision of subsections (1) through (4) of this section if the director determines that such a rule is necessary to conform to the market availability of certain bond and insurance coverages.

Sec. 40. RCW 30B.20.020 and 2014 c 37 s 362 are each amended to read as follows:

(1) Consistent with RCW 11.102.010, a state trust company may establish common trust funds to provide investment to itself as a fiduciary.

(2) The director may adopt rules to administer and carry out this section and RCW 11.102.010, including but not limited to rules to establish investment and participation limitations, disclosure of fees, audit requirements, limit or expand investment authority for particular classes or categories of securities or other property, advertising, exemptions, and other requirements that may be necessary to carry out this section.

(3) A state trust company that invests in a collective investment fund shall make investments as required by section 42 of this act and in conformity with the contents of the state trust company's written statement of principles of trust management, pursuant to section 43 of this act, as adopted by the board and subject to approval of the department. A state trust company shall also comply with RCW 30B.24.020 in avoiding conflicts of interest and self-dealing in relation to a collective investment fund.

(4) Unless otherwise prescribed by the director by rule, a state trust company shall be required to establish and maintain collective investment funds the same as required for a federally insured state bank with authorized trust powers, taking into account federal rules applicable to a federally insured state bank in relation to a collective trust fund that require a written plan and specific

requirements for fund management including, without limitation, provision for proportionate interests, methods and frequency of valuation of all or portions of the fund, admission and withdrawal of accounts, methods of distribution, segregation of investments, audit and financial reports related to the collective investment fund, advertising restrictions, management fees, expenses, and prohibition against certificates.

(5) Notwithstanding the general use of the term "affiliate" in this title as defined in RCW 30B.04.005, nothing in this chapter shall be construed as exempting or modifying a requirement of a state trust institution with respect to RCW 11.102.010.

Sec. 41. RCW 30B.24.005 and 2014 c 37 s 363 are each amended to read as follows:

(1) Except to the extent federal preemption of state law is applicable in relation to trusts governed under the federal employment retirement income security act, a state trust company (~~(acting as a trustee or other fiduciary)~~) shall comply with all applicable provisions of this title and with applicable provisions of Title 11 RCW including, without limitation, chapters 11.97, 11.98, 11.98A, 11.100, 11.102, 11.104A, 11.106, 11.107, and 11.108 RCW, and with chapter 11.110 RCW, in the case of a charitable trust.

(2) The director has broad administrative authority to establish by rule or interpretation principles-based standards for examination, supervision, and enforcement of a state trust company by the department in relation to compliance with this title, including subsection (1) of this section.

(3) A state bank, in relation to its trust department and its exercise of trust powers, shall comply with:

(a) Title 30A RCW, if a state commercial bank, and Title 32 RCW, if a state savings bank;

(b) The applicable provisions of Title 11 RCW including, without limitation, chapters 11.97, 11.98, 11.98A, 11.100, 11.102, 11.104A, 11.106, 11.107, and 11.108 RCW, and with chapter 11.110 RCW, in the case of a charitable trust;

(c) If the state bank is federally insured, any applicable rules and guidance of the federal deposit insurance corporation or other applicable federal law or regulation related to such state bank's exercise of trust powers; and

(d) If the state bank is a member of the federal reserve system, any rules and guidance of the board of governors of the federal reserve system related to such state bank's exercise of trust powers.

NEW SECTION. Sec. 42. A new section is added to chapter 30B.24 RCW to read as follows:

COMPLIANCE WITH FIDUCIARY ACTIVITIES STANDARDS EQUIVALENT TO THAT OF NATIONAL BANKS—STATEMENT OF PRINCIPLES OF TRUST MANAGEMENT—MANAGEMENT OF THIRD-PARTY RISK.

(1) Unless the director shall otherwise set forth by rule, a state trust company and, to the extent applicable, its affiliates, and their respective directors, officers, managers, employees, and agents, shall comply with such federal regulations applicable to the fiduciary activities of a federally insured state bank.

(2) The requirements of subsection (1) of this section, as applicable to a state trust company, shall be at least partially contained in the state trust company's written statement of principles of trust management, the contents of which shall be subject to examination and approval by the department, and upon which the department may further examine a state trust company as to whether it is in compliance with such statement.

(3) A state trust company and, to the extent applicable, its affiliate, shall comply with standards for prudent management of third-party risk under applicable law or as the director may otherwise adopt by rule or by a written interpretive statement including, without limitation, management of third-party risk pursuant to section 46 of this act.

NEW SECTION. **Sec. 43.** A new section is added to chapter 30B.24 RCW to read as follows:

CONTENTS OF STATEMENT OF PRINCIPLES OF TRUST MANAGEMENT.

(1) The board of directors of a state trust company shall adopt a written statement of principles of trust management at its first organizational meeting or at a meeting of the board called for that purpose, which it must annually reaffirm by written vote, whether or not such statement is sought to be amended.

(2) The statement of principles of trust management shall set forth the minimum requirements for sound fiduciary management in the operation of a state trust company. Such minimum requirements shall provide for sound fiduciary practices in the operation of a state trust company and provide safeguards for the protection of fiduciary beneficiaries, principals of agency relationships, creditors, stockholders, and the public, and shall provide for:

(a) Involvement by the board of directors in providing for the establishment and continuing fiduciary operations;

(b) Operation of fiduciary activities separate and apart from every other activity of the state trust company, with trust assets separated from other assets owned by the state trust company, and the assets of each trust account separated from the assets of every other trust account; and

(c) Maintenance of separate books and records for the fiduciary business in sufficient detail to properly reflect all fiduciary activities.

(3) The statement of principles of trust management shall provide that the board of directors, by resolution included in its minutes:

(a) Designate a competent and qualified officer or manager to be responsible for and administer the fiduciary activities of the state trust company;

(b) Define such officer's or manager's duties;

(c) Name a trust committee consisting of at least three directors to be responsible for and supervise the fiduciary activities of the state trust company or state banking institution, which shall include, if feasible, one or more directors who are not officers of the state trust company or state banking institution;

(d) Receive reports from such trust committee and record actions taken in its minutes;

(e) Review the examination reports of the state trust company by the department or other applicable financial services regulatory authority having jurisdiction over the state trust company; and

(f) Record all actions taken in its minutes.

(4) Nothing in this section is intended to prohibit the board of directors from authorizing itself to act as the trust committee, or from authorizing itself to appoint additional committees and officers to oversee account administration and the operation of the state trust company and its fiduciary activities.

(5) When such statement provides for delegating duties to a subcommittee or officers, the statement shall indicate that the board and the trust committee remain responsible for the oversight of all trust company and fiduciary activities. Such statement shall also reflect that sufficient reporting and monitoring procedures are required to fulfill this responsibility.

(6) The statement of principles of trust management shall provide that the trust committee:

(a) Meet at least quarterly, and more frequently if considered necessary and prudent to fulfill its supervisory responsibilities;

(b) Approve and document:

(i) The opening of all new fiduciary accounts;

(ii) Purchases and sales of, and changes in, trust assets; and

(iii) The closing of trust and agency relationship accounts;

(c) Provide for a comprehensive review of all new accounts, for which the state trust company or trust department has investment responsibility, promptly following acceptance;

(d) Provide for a review of each fiduciary and agency account, including collective investment funds, at least once during each calendar year, the scope, frequency, and level of review of which should be addressed in appropriate written policies that give consideration to the state trust company's fiduciary responsibilities, type and size of account, and other relevant factors, including coverage of both administration of the account and suitability of the account's investments, distinguishing as between the scope and components of discretionary and nondiscretionary reviews;

(e) Keep comprehensive minutes of meetings held and actions taken; and

(f) Make periodic reports to the board of directors of its actions.

(7) The statement of principles of trust management shall also require:

(a) Comprehensive written policies which address all important areas of the state trust company's fiduciary activities;

(b) Competent legal counsel to advise trust officers and the trust committee on legal matters pertaining to fiduciary activities;

(c) Adequate internal controls, including appropriate controls over fiduciary assets; and

(d) An adequate annual audit of all fiduciary activities by an internal or external auditor, as required by the department, the findings of which, including actions taken as a result of the audit, must be recorded in its minutes.

(8) Notwithstanding subsection (7)(d) of this section, the statement of principles of trust management may provide that, if a state trust company adopts a continuous audit process instead of performing annual audits, such audits may be performed, on an activity-by-activity basis, at intervals commensurate with the level of risk associated with that activity. In such case, the statement must reflect that audit intervals are to be supported and reassessed regularly to ensure appropriateness, given the current risk and volume of the activity.

Sec. 44. RCW 30B.24.020 and 2014 c 37 s 365 are each amended to read as follows:

(1) In addition to the provisions set out in RCW 11.98.078, if a conflict of interest may reasonably be expected to have a material adverse impact on the trustee's judgment in its provision of services to such client, the trustee must provide a reasonable disclosure of such conflict to such client.

(2) Unless authorized by other law, a state trust company may not invest funds of a fiduciary account over which it has investment discretion in the shares or obligations of, or in assets acquired from: The state trust company or any of its directors, officers, managers, or employees; affiliates of the state trust company or any of their directors, officers, managers, or employees; or individuals or organizations with whom there exists an interest that might affect the exercise of the best judgment of the state trust company.

(3) If retention of shares or obligations of the state trust company or its affiliates in a fiduciary account is consistent with applicable law, the state trust company may:

(a) Exercise rights to purchase additional shares, or securities convertible into additional shares, when offered pro rata to shareholders; and

(b) Purchase fractional shares to complement fractional shares acquired through the exercise of rights or the receipt of a share dividend resulting in fractional share holdings.

(4) A state trust company may not lend, sell, or otherwise transfer assets of a fiduciary account for which a state trust company has investment discretion to itself or any of its directors, officers, managers, or employees, or to affiliates of the state trust company or any of their directors, officers, managers, or employees, or to individuals or organizations with whom there exists an interest that might affect the exercise of the best judgment of the state trust company, unless:

(a) The transaction is authorized by other applicable law;

(b) Legal counsel advises the state trust company in writing that the state trust company has incurred, in its fiduciary capacity, a contingent or potential liability, in which case the state trust company, upon the sale or transfer of assets, shall reimburse the fiduciary account in cash at the greater of book or market value of the assets;

(c) In the case of a collective investment fund, the state trust company purchases for its own account any defaulted investment held by the fund if, in the judgment of the state trust company, the cost of segregating the investment is excessive in light of the market value of the investment: PROVIDED, That the state trust company purchases the defaulted investment at the greater of market value or the sum of cost and accrued unpaid interest; or

(d) Required in writing by the director.

(5) Notwithstanding any other provision of this section, a state trust company may not lend to any of its directors, officers, managers, or employees any funds held in trust, except with respect to employee benefit plans in accordance with the exemptions found in section 408 of the employee retirement income security act of 1974, 29 U.S.C. Sec. 1108.

(6) A state trust company may make a loan to a fiduciary account and may hold a security interest in assets of the account if the transaction is fair to the account and is not prohibited by applicable law.

(7) A state trust company may sell assets between any of its fiduciary accounts if the transaction is fair to both accounts and is not prohibited by applicable law.

(8) A state trust company may make a loan between any of its fiduciary accounts if the transaction is fair to both accounts and is not prohibited by applicable law.

NEW SECTION. Sec. 45. A new section is added to chapter 30B.24 RCW to read as follows:

QUARTERLY FILING WITH THE DEPARTMENT OF STATEMENT OF CONDITION—CONFIDENTIALITY.

(1) A state trust company shall file no later than forty-five days after the end of each calendar quarter a statement of its financial condition and a summary of the condition of its fiduciary accounts, known as a call report, in a form and content as prescribed by the director by rule or written policy from which at least ninety days' advance written notice has been given.

(2) Unless otherwise established by rule, such call report shall be deemed confidential examination information and shall be subject to RCW 30A.04.075.

NEW SECTION. Sec. 46. A new section is added to chapter 30B.24 RCW to read as follows:

COMPLIANCE WITH THE BANK SECRECY ACT—MANAGEMENT OF THIRD-PARTY RISK—CYBERSECURITY—EXAMINATION.

(1) A state trust institution and its affiliate or third-party service provider, if applicable, shall comply with the federal financial recordkeeping and reporting of currency and foreign transactions act, 31 U.S.C. Sec. 5311 et seq., also known as the bank secrecy act, and with associated federal regulations including, without limitation, any requirements under 31 C.F.R. Part 103.

(2) A state trust institution and its affiliate or third-party service provider, if applicable, shall maintain the federal standards for safeguarding customer information, required pursuant to Title V of the federal Gramm-Leach-Bliley act, P.L. 106-10, 113 Stat. 1338, as amended, and shall comply with applicable federal and state laws and rules related to cybersecurity, or written interpretive statement of the department to which the state trust institution, affiliate, or third-party service provider has been furnished notice.

(3) A state trust company shall be subject to examination by the department for compliance with subsections (1) and (2) of this section. An affiliate of a state trust company may be subject to examination for compliance with subsections (1) and (2) of this section upon notice to the state trust company and to the applicable affiliate. A third-party service provider may be subject to direct examination in relation to compliance with subsections (1) and (2) of this section as may be required pursuant to section 15 (3) and (4) of this act.

Sec. 47. RCW 30B.38.005 and 2014 c 37 s 366 are each amended to read as follows:

(1) An out-of-state trust institution that meets the requirements of this chapter is not required to maintain a physical trust office in ~~((this))~~Washington state.

(2) An out-of-state trust institution that does not operate a trust office in ~~((this))~~Washington state and that meets the requirements of this chapter may establish and maintain a new trust office in ~~((this))~~Washington state.

(3) As used in this chapter, "doing business in Washington state," with reference to an out-of-state trust institution, means purposely availing oneself of regularly transacting trust business with the public in Washington state, or otherwise seeking to regularly transact trust business with the public in Washington state by means of solicitation, which the director may so determine if all or part of the administration of any trust or other agreement to conduct trust business is administered or sought to be administered in Washington state, or if a trust or other trust business agreement, with the assent of the out-of-state trust institution, specifies Washington state as the situs of the trust or situs of the tangible or intangible property covered by the trust business agreement.

Sec. 48. RCW 30B.38.020 and 2014 c 37 s 368 are each amended to read as follows:

(1) Except as authorized by federal law ((~~or~~)), by another law of ((this)) Washington state, or by a written finding of the director waiving some or all of the requirements of this section in the interest of facilitating financial interstate commerce, an out-of-state trust institution shall not be permitted to engage in a trust business in ((this)) Washington state ((on more favorable terms and conditions than the terms and conditions on which state trust companies incorporated under this title and savings banks engaged in trust business under RCW 32.08.140, 32.08.142, 32.08.210, and 32.08.215 are permitted to engage in trust business in such other state)) unless the director has approved an out-of-state trust institution's written application to do business in Washington state in accordance with this section.

(2) In order for the director to approve an out-of-state trust institution's written application to do business in Washington state, the director must determine in writing that all of the following conditions have been met, or otherwise in his or her discretion waive or modify one or more of such conditions in writing:

(a) That the out-of-state trust institution is authorized to do business in its home state, is in good standing with its home state regulator, is not subject to a supervisory directive, corrective action order, conservatorship, or the equivalent, from its home state regulator, and has not had its authority to do business in its home state, any other state, or a foreign jurisdiction suspended or revoked;

(b) That a state trust company with the same activities as the out-of-state trust institution would be able to do business in the home state of the out-of-state trust institution on the same or more favorable terms as in Washington state, when considering such home state's laws and its supervision, examination, or other safety and soundness oversight of a state trust company seeking to do business in such home state;

(c) That the out-of-state trust institution has secured or will secure as of the effective date of the department's certificate of authority a fidelity bond or equivalent insurance coverage for directors, officers, managers, or employees satisfactory to the director; and

(d) That as long as the out-of-state trust institution maintains a trust office or otherwise conducts trust business in Washington state, it will comply with all laws of Washington state that are applicable to an out-of-state trust institution doing business in Washington state.

(3) The director shall deny an application filed under this section or suspend or revoke the approval of an application, if the director finds that the standards of

organization, supervision, examination, or other safety and soundness oversight of the out-of-state trust institution do not conform to the standards for a state trust company under this title. In considering the standards of organization, supervision, examination, or other safety and soundness oversight of the out-of-state trust institution, the director may also consider the laws of the state in which the applicant is organized.

(4) In implementing this section, the director may cooperate with trust institution regulators in other states and may share with such regulators the information received in the administration of this chapter.

(5) The director may enter into supervisory agreements with out-of-state trust institutions or their regulators to prescribe the applicable laws and rules governing the powers and authorities of out-of-state trust institutions seeking to or doing business in Washington state. Such agreements may address, but are not limited to, corporate governance and operational matters. Such agreements may resolve any conflict of laws and further specify the manner in which examination, supervision, and application processes must be coordinated between the home state regulator and host state regulator.

(6) The out-of-state trust institution may exercise additional powers and authorities that are authorized under the laws of its home state if the director determines in writing that the exercise of the additional powers and authorities in ~~((this))~~Washington state will not threaten the safety and soundness of trust institutions in ~~((this))~~Washington state and serves the convenience and needs of Washington state consumers.

Sec. 49. RCW 30B.38.030 and 2014 c 37 s 369 are each amended to read as follows:

An out-of-state trust institution desiring to engage in trust business in ~~((this))~~Washington state shall provide, or cause its home state regulator to provide, written notice to the director of its intent to engage in trust business in ~~((this))~~Washington state, accompanied by a written application containing:

(1) Satisfactory ~~((written))~~ evidence of a certificate of authority to engage in trust business in its home state, or equivalent, from its home state regulator;

(2) A copy of the resolution adopted by the board of directors of such out-of-state trust institution authorizing the out-of-state trust institution to engage in trust business in ~~((this))~~Washington state;

(3) ~~((Written))~~Evidence of compliance with the requirements of the director set forth in ~~((subsection (1) of this section))~~RCW 30B.38.020 or a request for waiver of certain requirements of RCW 30B.38.020 satisfactory to the director; and

(4) A filing fee, if any, as prescribed by the director under authority of RCW 30A.04.070.

Sec. 50. RCW 30B.38.040 and 2014 c 37 s 370 are each amended to read as follows:

~~((Except as authorized by RCW 30B.72.010, an out-of-state trust institution may not engage in trust business in this state unless:~~

~~(a) The out of state trust institution has confirmed in writing to the director that for as long as it maintains a trust office in this state, it will comply with all applicable laws of this state.~~

~~(b) The out-of-state trust institution has provided satisfactory evidence to the director of compliance with (i) any applicable requirements of chapter 23B.15 or 25.15 RCW and (ii) the applicable requirements of its home state regulator for engaging in trust business in both its home state and this state.~~

~~(e)) The director must, ~~((acting))~~ within sixty days after receiving ~~((notice))~~ a complete written application under RCW 30B.38.030, ~~((has certified to))~~ including any waiver request, notify the home state regulator ~~((that the requirements of this chapter have been met and the notice has been approved or, if applicable, that any conditions imposed by the director pursuant to subsection (2) of this section have been satisfied.~~~~

~~(2) The out-of-state trust institution may commence engaging in trust business in this state on the sixty-first day after the date the director receives the notice unless the director specifies an earlier or later date)) and the out-of-state trust institution of the director's approval or denial of the written application or waiver request, including any other conditions for approval that the director may require.~~

~~((3))~~ (2) The sixty-day period of review ~~((in subsection (2) of this section))~~ may be extended by the director on a determination that the written notice raises issues that require additional information or additional time for analysis. If the period of review is extended, the out-of-state trust institution may engage in trust business in ~~((this))~~ Washington state only on prior written approval by the director.

Sec. 51. RCW 30B.38.070 and 2014 c 37 s 373 are each amended to read as follows:

(1) Consistent with ~~((the Washington administrative procedure act, chapter 34.05 RCW, and in the manner provided for enforcement action against a state trust company under this title, after notice and opportunity for hearing))~~ chapter 30B.10 RCW, the director may determine an out-of-state trust institution engaging in trust business in ~~((this))~~ Washington state, or its affiliate, is in violation of any provision of ~~((the laws of this state))~~ this title or is operating in an unsafe and unsound manner.

(2) The director shall have the authority to take all such enforcement actions against an out-of-state trust institution or its affiliate as he or she ~~((would be))~~ is empowered to take ~~((if the out-of-state trust institution were a state trust company))~~ under chapter 30B.10 RCW, including but not limited to issuing an order temporarily or permanently prohibiting the out-of-state trust institution or its affiliate from engaging in trust business in ~~((this))~~ Washington state.

(3) The director may make a written finding that an out-of-state trust institution engaging in or proposing to engage in a trust business in ~~((this))~~ Washington state does not meet the requirements for engaging in trust business in ~~((this))~~ Washington state pursuant to this chapter or RCW 30B.72.010, which finding shall be effective on the date of issuance or such other date as the director shall determine.

(4) In cases involving extraordinary circumstances requiring immediate action, the director may issue ~~((a temporary))~~ pursuant to section 25 of this act an emergency order without advance notice or opportunity for hearing, subject to the right of the out-of-state trust institution ~~((s right))~~ or, as applicable, its affiliate, to petition for judicial review in the same manner as a state trust company under this title.

(5) The director will give notice to the home state regulator of each enforcement action taken against an out-of-state trust institution or its affiliate and, to the extent practicable, will consult and cooperate with the home state regulator in pursuing and resolving such enforcement action.

Sec. 52. RCW 30B.38.080 and 2014 c 37 s 374 are each amended to read as follows:

Each out-of-state trust institution that maintains an office in ~~((this))~~ Washington state or otherwise conducts trust business in Washington state pursuant to this chapter, or the home state regulator of such trust institution, shall give at least thirty days' prior written notice, or in the case of an emergency transaction, such shorter notice as is consistent with applicable state or federal law, to the director of:

(1) Any merger, consolidation, or other transaction that would cause a change of control with respect to such out-of-state trust institution or any bank holding company that controls such trust institution, ~~((with the result that an application would be required to be filed pursuant to the federal change in bank control act of 1978, 12 U.S.C. Sec. 1817(j), or the federal bank holding company act of 1956, 12 U.S.C. Sec. 1841 et seq., or any successor statutes thereto))~~ as determined by the definition of "control" set forth in RCW 30B.53.005;

(2) Any transfer of all or substantially all of the trust accounts or trust assets of the out-of-state trust institution to another person; or

(3) The closing or disposition of any office in ~~((this))~~ Washington state.

NEW SECTION. Sec. 53. A new section is added to chapter 30B.38 RCW to read as follows:

STATE TRUST COMPANY OPERATING IN ANOTHER STATE—
APPROVAL OF DIRECTOR.

(1) Upon written approval of the director, a state trust company may conduct the business of a trust company in a host state, subject to the authority, requirements, and restrictions of the host state, or as otherwise directed by a cooperative agreement between the department and the host state.

(2) The director may enter into a cooperative agreement with the host state regulator of the host state in which a state trust company is permitted to and conducts the business of a trust company and may permit the host state regulator to periodically examine the affairs of the state trust company in the host state.

(3) The director may rely upon the examination of the host state regulator in lieu of the department itself conducting an examination of the state trust company's conduct in the host state.

Sec. 54. RCW 30B.38.090 and 2014 c 37 s 375 are each amended to read as follows:

Notwithstanding any other provision of this chapter, an out-of-state trust institution engaging in trust business in ~~((this))~~ Washington state, which is not an exempt person under RCW 30B.04.040 and which by reason of the laws of its home state is not, in the opinion of the director, subject to ~~((any))~~ supervision, examination, or other safety and soundness oversight by a home state regulator, shall be subject to all the requirements of a state trust company under this title.

Sec. 55. RCW 30B.44A.005 and 2014 c 37 s 376 are each amended to read as follows:

A state trust company may go into voluntary liquidation and be closed, and may surrender its ~~((charter))~~certificate of authority and franchise as a corporation or limited liability company of ~~((this))~~Washington state by the affirmative votes of its shareholders owning two-thirds of its ~~((stock or participation))~~ shares.

Sec. 56. RCW 30B.44A.010 and 2014 c 37 s 377 are each amended to read as follows:

(1) Shareholder action to liquidate a state trust company shall be taken at a meeting of the shareholders ~~((or participants))~~ duly called ~~((by resolution of the board of directors or members, written notice of which, stating the purpose of the meeting, shall be mailed to each shareholder or participant, or in case of a shareholder's or participant's death, to such shareholder's or participant's legal representative or heirs at law, addressed to the shareholder's or participant's last known residence ten days previous to the date of such meeting))~~ and noticed as provided for in Title 23B RCW, if the state trust company is a corporation, and as provided in chapter 25.15 RCW, if the state trust company is a limited liability company.

(2) If ~~((stockholders or participants))~~the shareholders shall, by the required vote, elect to liquidate ~~((a))~~the state trust company, a ~~((certified))~~ copy of all proceedings of the meeting at which such action shall have been taken, verified by the oath of the president or manager and the secretary, shall be transmitted to the director for approval.

Sec. 57. RCW 30B.44A.020 and 2014 c 37 s 378 are each amended to read as follows:

(1) If the director approves the liquidation, the director shall issue to the state trust company ~~((a permit))~~written notice of approval for such purpose.

~~((A permit))~~(2) Such approval shall ((not) be ((issued by the director until)) deemed granted unless the director ((is satisfied)) issues a written determination, no later than sixty days from notice by the state trust company to voluntarily liquidate, that adequate provision has not been made ((by the state trust company)) to satisfy ((and pay off)) all allowable creditors and further provide for successor trustees or other disposition of all trust assets under management.

(3) If ~~((not so satisfied,))~~ the director ~~((shall refuse to issue a permit, and))~~has made such a determination within the time set forth in subsection (2) of this section, the director is authorized to take possession of the state trust company and its assets and business ~~((, and hold the same))~~ and liquidate ~~((the state trust company))~~it in the manner provided for in ~~((this title))~~chapter 30B.44B RCW.

~~((When))~~(4) If the director approves the voluntary liquidation of a state trust company under this chapter, the ((directors of that)) state trust company shall ((cause to be published in a newspaper in the county in which the same is located, or if no newspaper is published in such county, then in a newspaper having a general circulation in such county, a notice that the state trust company is closing down its affairs and going into liquidation, and notify its creditors to present their claims for payment. Such notice shall be published once a week for four consecutive weeks)) provide notice to creditors and the public of voluntary dissolution in the manner provided for in Title 23B RCW, if the state trust

company is a corporation, and chapter 25.15 RCW, if the state trust company is a limited liability company.

Sec. 58. RCW 30B.44A.030 and 2014 c 37 s 379 are each amended to read as follows:

~~((When any))~~While a state trust company is in process of voluntary liquidation under this chapter, it is subject to examination by the director((s)) and shall continue to furnish to the director such reports ((from time to time as may be called for by the director))as required of a state trust company.

NEW SECTION. Sec. 59. A new section is added to chapter 30B.44A RCW to read as follows:

PROCEDURES FOR VOLUNTARY LIQUIDATION.

Except as set forth in this chapter to the contrary, the procedures for voluntary liquidation of a state trust company shall be consistent with Title 23B RCW, if the state trust company is a corporation, and chapter 25.15 RCW, if the state trust company is a limited liability company.

Sec. 60. RCW 30B.44A.040 and 2014 c 37 s 380 are each amended to read as follows:

(1) All unclaimed property remaining in the ~~((hands))~~possession of a ((liquidated)) state trust company that has been voluntarily liquidated according to this chapter is subject to the provisions of chapter 11.08 RCW, except to the extent set forth in this section.

(2) Any funds, less outstanding fees and assessments owed to the director under RCW 30A.04.070, payment of allowable third-party claims, and disposition of fiduciary assets in compliance with this title, which remain uncalled for and unpaid at the conclusion of the state trust company's voluntary liquidation, shall be transmitted to the director and shall be deposited by him or her in a bank to the director's credit in trust for the benefit of any persons entitled thereto, and shall be paid by the director to such persons upon receipt of evidence, reasonably satisfactory to the director, of such persons' rights to such funds.

(3) All moneys so deposited remaining unclaimed for two years after deposit shall escheat to the state for the benefit of the state financial literacy and education programs as authorized by RCW 43.320.150 and administered by the department or, in the absence of such programs, as otherwise directed by the state treasurer.

(4) It shall not be necessary to have the escheat adjudged in a suit or action.

NEW SECTION. Sec. 61. A new section is added to chapter 30B.44A RCW to read as follows:

NAMING OF SUCCESSOR TRUSTEE UPON DISSOLUTION OF STATE TRUST COMPANY—CONTINGENCY FOR DIRECTOR AS STATUTORY CUSTODIAN.

(1) In the event of a voluntary dissolution of a trust company pursuant to this chapter, the provisions of RCW 11.98.039 (1), (2), and (3) shall apply, if applicable, to the selection of a successor trustee, subject to the director's option to approve a successor trustee as part of the director's approval of a voluntary liquidation under RCW 30B.44A.020.

(2) If, however, RCW 11.98.039(4) is applicable but a trust beneficiary, trustor, if alive, or trustee does not petition the superior court for appointment of

successor trustee within thirty days of the last publication of notice of the voluntary dissolution of the trust company pursuant to RCW 30B.44A.020, then the director may:

(a) Appoint himself or herself as a custodian of any affected trust until such time as the superior court makes a determination of successor trustee; or

(b) At his or her option, bring before the superior court a petition for appointment of a successor trustee, other than an employee or independent contractor of the department, pursuant to chapter 11.96A RCW.

(3) In no event may the director or any employee or independent contractor of the department serve as a successor trustee under chapter 11.98 RCW or as a receiver of trust assets under chapter 7.60 RCW.

Sec. 62. RCW 30B.44A.050 and 2014 c 37 s 381 are each amended to read as follows:

(1) Any state trust company may sell and transfer to any other trust institution (~~(, whether state or federally chartered,)~~) all of its assets of every kind upon such terms as may be agreed upon and approved by the director and by two-thirds vote of its (~~(board of directors or members)~~) shareholders.

(2) A (~~(certified)~~) copy of the minutes of any meeting at which such action is taken (~~(, under the oath of the president and secretary),~~) together with a copy of the (~~(contract of sale and transfer)~~) asset purchase agreement, shall be filed with the director. (~~(Whenever voluntary liquidation shall be approved by the director or the sale and transfer of the assets of any state trust company shall be approved by the director, a certified copy of such approval, filed in the office of the secretary of state, shall authorize the cancellation of the charter of such state trust company, subject, however, to its continued existence, as provided by this title and the general law relative to corporations.)~~)

(3) Notwithstanding any other provision of this title, the board of a state trust company, with the director's approval, may cause a state trust company to sell all or substantially all of its assets, including the right to control accounts established with the trust company, without shareholder or participant approval if the director finds:

(a) The interests of the state trust company's clients and creditors are jeopardized because of insolvency or imminent insolvency of the state trust company; and

(b) The sale is in the best interest of the state trust company's clients and creditors.

(4) A sale under this section must include an assumption and promise by the buyer to pay or otherwise discharge:

(a) All of the state trust company's liabilities to clients and depositors;

(b) All of the state trust company's liabilities for salaries of the state trust company's employees incurred before the date of the sale;

(c) Obligations incurred by the director arising out of the supervision or sale of the state trust company; and

(d) Fees and assessments due the department.

(5) This section does not limit the incidental power of a state trust company to buy and sell assets in the ordinary course of business.

(6) This section does not affect the director's authority to take action under state law.

NEW SECTION. Sec. 63. A new section is added to chapter 30B.44A RCW to read as follows:

CANCELLATION OF STATE TRUST COMPANY'S CERTIFICATE OF AUTHORITY.

Whenever voluntary liquidation is approved by the director or the sale and transfer of the assets of any state trust company is approved by the director pursuant to this chapter, a certified copy of such approval, filed in the office of the secretary of state, shall authorize the cancellation of the certificate of authority of such state trust company, subject, however, to its continued existence, as either a general corporation under Title 23B RCW or a general limited liability company under chapter 25.15 RCW.

NEW SECTION. Sec. 64. A new section is added to chapter 30B.44B RCW to read as follows:

POSSESSION OF TRUST ASSETS AND COMPANY ASSETS AND PROPERTY WITH THE DIRECTOR—BAR AGAINST ATTACHMENT PROCEEDINGS.

The taking of possession of any state trust company by the director pursuant to RCW 30B.44B.005 or 30B.44B.010 is sufficient to place all of the state trust company's fiduciary assets in the custody of the director and all of the nonfiduciary assets and property of every nature in the director's possession and bar all attachment proceedings.

NEW SECTION. Sec. 65. A new section is added to chapter 30B.44B RCW to read as follows:

DIRECTOR'S RIGHT TO TAKE POSSESSION MAY BE CONTESTED.

(1) Within ten days after the director takes possession of a state trust company pursuant to RCW 30B.44B.005, the state trust company may serve a notice upon the director to appear before the superior court of the county where the headquarters of the state trust company is located and at a time to be fixed by the court, which shall not be less than five nor more than fifteen days from the date of the service of such notice, to show cause why the director's action taking possession of the state trust company should not be affirmed.

(2) Upon the return day of such notice, or such further day as the matter may be continued to, the court shall summarily hear the show-cause petition and shall dismiss it, if the court finds that possession of the state trust company was taken by the director in good faith and for cause. If, however, the court finds that no cause existed for taking possession of the state trust company, the court shall require the director to restore the state trust company to possession of its assets and enjoin the director from further interference with the state trust company without cause.

NEW SECTION. Sec. 66. A new section is added to chapter 30B.44B RCW to read as follows:

POWERS AND DUTIES OF DIRECTOR—PROHIBITION AGAINST LIENS.

(1) Upon issuance of an order taking possession of a state trust company pursuant to RCW 30B.44B.005 or 30B.44B.010, the director must:

(a) Take custody of the assets of the state trust company and preserve, administer, and liquidate the business and assets of the state trust company as statutory liquidation agent;

(b) Furnish written notice:

(i) To all persons having possession of any assets of the state trust company; and

(ii) To beneficiaries, trustors, if alive, and appointed advisers in relation to trust assets that were under management by the state trust company as of the date and time that the director took possession of the state trust company, to the extent that the state trust company has not given prior notice to such beneficiaries or trustors, if alive, pursuant to RCW 11.98.039, or to such appointed advisers;

(c) Make provision as custodian under authority of this chapter for the preservation of the trust or other fiduciary assets of the state trust company while they are in the department's custody; and

(d) Upon notice from a trustor or beneficiary, or the like, of a trust agreement or other fiduciary contract directing the department to transfer the trust or other fiduciary assets of the state trust company, or as otherwise provided for by the terms of a trust agreement or other fiduciary contract, by Title 11 RCW, or by court order, make provision as custodian under this chapter for the transfer of trust or other fiduciary assets from the department's custody to applicable third parties.

(2) No person knowing of the taking of such possession by the director shall have a lien or charge for any payment advanced or cleared or liability incurred against any of the assets of the state trust company or any trust assets under management.

(3) With the approval of the superior court of the county in which the headquarters of the state trust company was located, the director may sell, compound, or compromise bad or doubtful debts, and upon such terms as the court shall direct, the director may borrow, mortgage, pledge, or sell all or any part of the real estate and personal property of the state trust company. The director shall deliver to each purchaser or lender an appropriate deed, mortgage, agreement of pledge, or other instrument of title or security. If real estate is situated outside of the county where the headquarters of the state trust company was located, a certified copy of the orders authorizing and confirming the sale or mortgage shall be filed for record in the county in which such property is situated.

(4) The director may appoint special assistants (4) and other necessary agents to assist in the administration and liquidation of the state trust company, a certificate of such appointment to be filed with the clerk of the county where the headquarters of the state trust company was located.

(5) Except for a special assistant who is an employee of the department, the director shall require such special assistant or agent to give a surety company bond, conditioned as the director shall provide, the premium of which shall be paid out of the assets of the state trust company.

(6) The director may also request legal assistance from the Washington attorney general in such administration and liquidation; provided, however, that with permission of the Washington attorney general, the director may employ an attorney in private practice to perform such delegated functions.

NEW SECTION. Sec. 67. A new section is added to chapter 30B.44B RCW to read as follows:

NOTICE TO CREDITORS—CLAIMS.

(1) The director shall publish on the department's public web site and also once a week for four consecutive weeks in a newspaper of general circulation, which the director shall select, a notice requiring all persons having claims against the dissolved state trust company to make proof of claim to the department as specified in the notice not later than ninety days from the date of the first publication of such notice.

(2) The director shall mail similar notices to all persons whose names appeared as creditors upon the books of the state trust company as of the date and time of the director taking possession pursuant to RCW 30B.44B.005 or 30B.44B.010.

(3) The director may approve or reject any claims, but shall serve notice of rejection upon the claimant by mail or personally. A declaration of service of such notice, signed under penalty of perjury, shall be deemed a rebuttable presumption that notice has been given pursuant to this section.

(4) No action shall be brought on any claim after ninety days from the date of service of notice of rejection.

(5) After the expiration of the time fixed in the notice, the director shall have no power to accept any claim.

(6) Any claim that has not been filed with the department as required by this section is barred as a matter of law.

NEW SECTION. Sec. 68. A new section is added to chapter 30B.44B RCW to read as follows:

ASSUMPTION OR REJECTION OF EXECUTORY CONTRACTS.

Upon issuance of an order taking possession of a state trust company, the director may assume or reject any executory contract or unexpired lease of the state trust company upon written notice to the parties to such contract.

NEW SECTION. Sec. 69. A new section is added to chapter 30B.44B RCW to read as follows:

INVENTORY—LIST OF CLAIMS.

(1) Upon taking possession of the dissolved state trust company, the director shall make an inventory of the nonfiduciary assets in duplicate, filing one with the department and one in the office of the superior court clerk.

(2) Upon the expiration of the time fixed for the presentation of claims, the director shall make a duplicate list of claims presented, segregating those approved and those rejected, and file this list with the clerk of the superior court.

NEW SECTION. Sec. 70. A new section is added to chapter 30B.44B RCW to read as follows:

OBJECTIONS TO APPROVED CLAIMS.

Objection may be made by any interested person to any claim approved by the director, which objection shall be determined by the superior court upon notice to the claimant and objector as the superior court shall prescribe.

NEW SECTION. Sec. 71. A new section is added to chapter 30B.44B RCW to read as follows:

TEMPORARY RECEIVER PROHIBITED EXCEPT IN EMERGENCY.

(1) A receiver shall not be appointed by any court for any state trust company, nor shall any assignment of any state trust company for the benefit of creditors be valid, except that, in addition to the director's authority to take possession of a state trust company pursuant to RCW 30B.44B.005 or

30B.44B.010, the superior court otherwise having jurisdiction may in case of imminent necessity appoint a temporary receiver to take possession of and preserve the assets of such state trust company.

(2) Immediately upon appointment of a person as temporary receiver, the clerk of the superior court shall notify the director in writing of such appointment and the director shall then take possession of the state trust company, as in case of insolvency, and the temporary receiver shall, upon demand of the director, surrender to the director possession of the state trust company and all assets which shall have come into the possession of such temporary receiver.

(3) The director shall in due course pay such temporary receiver out of the assets of the state trust company.

NEW SECTION. Sec. 72. A new section is added to chapter 30B.44B RCW to read as follows:

PREFERENCES PROHIBITED—PENALTY.

(1) Any transfer of its property or assets by a state trust company, made (a) in contemplation of insolvency or after it shall have become insolvent, (b) within ninety days before the date the director takes possession of such state trust company, and (c) with a view to the preference of one creditor over another or to prevent the equal distribution of its property and assets among its creditors, shall be void.

(2) Every director, officer, or employee of a state trust company making any such transfer of assets is guilty of a class B felony punishable according to chapter 9A.20 RCW.

NEW SECTION. Sec. 73. A new section is added to chapter 30B.44B RCW to read as follows:

EXPENSE OF LIQUIDATION—DETERMINATION OF SUPERIOR COURT—PRIORITY OVER THIRD-PARTY CLAIMS.

(1) All expenses incurred by the director in taking possession, administering, and resolving any state trust company dissolved pursuant to this chapter, including the expenses of assistants or agents and reasonable fees for any attorney who may be employed in connection with such administration and resolution, and the reasonable compensation of any special assistant or agent placed in charge of such dissolved state trust company, shall be a priority charge upon the assets of the dissolved state trust company and shall be senior to any approved third-party claims.

(2) Such charges for expenses as set forth in subsection (1) of this section shall be fixed by the director, subject to the approval of the superior court.

NEW SECTION. Sec. 74. A new section is added to chapter 30B.44B RCW to read as follows:

LIQUIDATION AFTER CLAIMS ARE PAID.

When all proper claims of creditors, excluding shareholders, have been paid, as well as all expenses of administration and liquidation, and proper provision has been made for unclaimed or unpaid property and dividends, and assets still remain in the director's possession, the director shall furnish written notice to all shareholders of record of the state trust company, as of the date and time the director took possession of the state trust company pursuant to RCW 30B.44B.005 or 30B.44B.010, of the existence of any remaining funds

according to each shareholder's proportional beneficial interest in the state trust company.

NEW SECTION. Sec. 75. A new section is added to chapter 30B.44B RCW to read as follows:

DISPOSITION OF UNCLAIMED PERSONAL PROPERTY—TRUST ASSETS—OTHER PERSONAL PROPERTY HELD FOR SAFEKEEPING.

(1) If, at the conclusion of the liquidation of a state trust company, there remains unclaimed personal property, other than monetary deposit accounts, which had previously been left with it for safekeeping, including unclaimed trust assets, such property shall be inventoried by the director or his or her special assistant or agent and segregated and identified by the name and last known address of the person who appears on the books of the state trust company, as of the date and time of its closure, as being entitled to the property.

(2) Upon receiving possession of such unclaimed personal property, the director shall hold it for safekeeping. The liquidated state trust company, its directors, officers, managers, managing principals, and shareholders, and the director's special assistant or agent, if any, shall be relieved of responsibility and liability for the property so delivered to and received by the director.

(3) The director shall then send to each person who appears on the books and records of the liquidated state trust company as having the right to such property, at his or her last known address, a notice that the property listed will be held in his or her name for a period of not less than one year.

(4) At any time after the mailing of such notice, and before the expiration of one year, such person may require the delivery of the property so held, by properly identifying himself or herself and offering evidence of his or her right to such property, to the satisfaction of the director. The director may condition delivery of such property upon prior payment to the director of all storage costs and reasonable costs associated with such delivery.

NEW SECTION. Sec. 76. A new section is added to chapter 30B.44B RCW to read as follows:

FINAL NOTICE AFTER ONE YEAR—SALE AT AUCTION.

(1) After the expiration of one year from the time of giving notice under section 75(3) of this act, the director shall issue and serve by mail a final notice stating that one year has elapsed since the sending of the notice referred to in section 75(3) of this act, and that the director will sell all the property or articles of value set out in the notice, at a specified time and place, not less than thirty days after the time of the final notice. Unless the person shall, on or before such time and to the satisfaction of the director, claim the property, identify himself or herself, offer evidence of his or her right to such property, and remit payment to the director of all storage costs and reasonable costs associated with delivery to such person, the director may sell all the property or articles of value listed in the notice, at public auction, at the time and place stated in the final notice: PROVIDED, That a notice of the time and place of such sale has been published once within ten days prior to the sale in a newspaper of general circulation in the county where the headquarters of the state trust company was located.

(2) In addition to subsection (1) of this section, any such property held by the director, the owner of which is not known, may be sold at public auction after it has been held by the director for one year: PROVIDED, That a notice of the

time and place of sale has been published once within ten days prior to the sale in a newspaper of general circulation in the county where the headquarters of the state trust company was located.

NEW SECTION. Sec. 77. A new section is added to chapter 30B.44B RCW to read as follows:

DISPOSITION OF UNCLAIMED PERSONAL PROPERTY—
MONETARY FUNDS.

(1) Any monetary funds, including funds obtained from sale of personal property at auction pursuant to this section, remaining unclaimed and unpaid in the possession of the director for six months after the superior court's order of final distribution, shall be deposited by the director in a bank to his or her credit, in trust for the benefit of the persons entitled to such funds and subject to the supervision of the superior court.

(2) Such monetary funds shall be paid by the director to the entitled persons upon receipt of satisfactory evidence of their right to such funds.

(3) All moneys so deposited remaining unclaimed for one year after deposit shall escheat to the state for the benefit of the state financial literacy and education programs as authorized by RCW 43.320.150 and administered by the department, or, in the absence of such programs, as otherwise directed by the state treasurer.

(4) It shall not be necessary to have the escheat adjudged in a suit or action.

NEW SECTION. Sec. 78. A new section is added to chapter 30B.44B RCW to read as follows:

DESTRUCTION OF RECORDS AFTER LIQUIDATION.

(1) Where any records of the state trust company have been taken over and are in the possession of the director in connection with the involuntary liquidation of a state trust company, the director may, in his or her discretion at any time after an order of final liquidation, or equivalent, by the superior court, destroy any of such records which may appear to the director to be obsolete or unnecessary for future reference as part of the liquidation and as files of the department.

(2) Such records are exempt from public disclosure, consistent with RCW 42.56.400(6), 30A.04.075, and 30B.04.060.

NEW SECTION. Sec. 79. A new section is added to chapter 30B.44B RCW to read as follows:

REOPENING—CONDITIONS.

(1) Notwithstanding any other provision of this chapter, the director may, at any time within ninety days after taking possession of a state trust company under RCW 30B.44B.005 or 30B.44B.010, permit such state trust company to reopen upon such terms and conditions as the director shall prescribe, if he or she has determined that:

(a) Sufficient remedy has been made of the state trust company's impairment and delinquencies; and

(b) It is in the best interest of trustors, beneficiaries, creditors, shareholders, and the general public that the state trust company be reopened rather than be liquidated.

(2) Before being permitted to reopen pursuant to this section, a state trust company shall pay all of the outstanding fees, assessment, and expenses of the director as provided for in this title.

NEW SECTION. Sec. 80. A new section is added to chapter 30B.46 RCW to read as follows:

DEFINITIONS.

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

(1) "Corrective action measures" refers collectively to supervisory agreements, memoranda of understanding, supervisory directives, corrective action orders, and orders of conservatorship.

(2) "Corrective action order" means a cease and desist order, consent order, order compelling action, or order of conservatorship, as prescribed by this chapter.

(3) "Exceeded its powers" includes, without limitation, the following circumstances:

(a) If a state trust company has engaged in unauthorized trust activity;

(b) If a state trust company has refused to permit examination of its books, papers, accounts, records, or affairs by the director, assistant director, or examiners; or

(c) If a state trust company has neglected or refused to observe an order of the director including, without limitation, an order to make good, within the time prescribed, any capital deficiency.

(4) "Order of conservatorship" means an order specifically authorized under this chapter for the appointment for a conservatory of a state trust company.

(5) "Supervisory agreement" or "memorandum of understanding" means a supervisory directive in which a state trust company has given its prior consent.

(6) "Supervisory directive" means a supervisory directive in which the state trust company has not given its prior consent.

(7) "Unsafe condition" shall mean and include, but not be limited to, any one or more of the following circumstances:

(a) If a state trust company is less than adequately capitalized as determined by the director;

(b) If a state trust company violates the applicable provisions of this title or any other law or regulation applicable to a state trust company in a manner that results or is likely to result in a significant increase in the state trust company's legal or operational risk;

(c) If a state trust company conducts a fraudulent or questionable practice in the conduct of its business that endangers its reputation, beneficiaries, shareholders, or trustors, or threatens its solvency;

(d) If a state trust company conducts its business in an unsafe or unsound manner;

(e) If a state trust company engages in unauthorized trust activity;

(f) If a state trust company violates any conditions of its certificate of authority or any agreement entered with the director; or

(g) If a state trust company willfully fails to carry out any authorized instruction or direction of the director.

NEW SECTION. **Sec. 81.** A new section is added to chapter 30B.46 RCW to read as follows:

SCOPE OF CHAPTER—SAFETY AND SOUNDNESS AUTHORITY OF DIRECTOR IN LIEU OF ADMINISTRATIVE PROCEEDINGS—CORRECTIVE ACTION MEASURES—JUDICIAL REVIEW.

(1) The purpose of this chapter is to provide expeditious methods for the department to exercise proper supervision over the safety and soundness of state trust companies in the interest of Washington state's fiduciary industry and the general public. To that end, this chapter prescribes a series of progressive corrective action measures available to the director, as necessary and in connection with the exercise of his or her examination authority, the ultimate object of which is to restore a state trust company to a state of safe and sound condition and practices and to prevent, if possible, involuntary dissolution of the state trust company under chapter 30B.44B RCW.

(2) In order of progression, these corrective action measures include:

(a) The supervisory directive, which may be issued with the consent of a state trust company as a supervisory agreement or memorandum of understanding or without the state trust company's consent;

(b) The corrective action order, which may be issued with or without the consent of a state trust company; and

(c) The order of conservatorship, which may be issued with or without the consent of a state trust company.

(3) The director may issue and impose upon a state trust company, in lieu of or in addition to his or her authority to issue and serve a notice and statement of charges pursuant to chapter 30B.10 RCW, the following:

(a) A supervisory agreement or memorandum of understanding;

(b) A supervisory directive without the state trust company's consent;

(c) A corrective action order, with or without its consent; and

(d) An order of conservatorship, with or without its consent.

(4) A supervisory agreement or memorandum of understanding, or corrective action order or order of conservatorship consented to by a state trust company, shall not be subject to review except upon a claim by the state trust company or other person with standing under RCW 34.05.530, made in good faith, that the terms and conditions of the supervisory agreement or memorandum of understanding, corrective action order, or order of conservatorship exceed the authority of the director under this title and that consent to the supervisory agreement or memorandum of understanding was unreasonably coerced.

(5) A supervisory directive issued and imposed without the consent of the state trust company shall not be subject to review except by petition for judicial review in the manner provided by the Washington administrative procedure act, RCW 34.05.510 through 34.05.598, inclusive.

(6) A corrective action order or order of conservatorship issued and imposed against a state trust company without its consent shall be deemed an emergency order under section 25 of this act, subject only to judicial review as permitted by section 25 of this act.

(7) No provision in this title shall preclude the director from issuing a corrective action order without having issued a supervisory directive, or issuing

an order of conservatorship without having issued a supervisory directive or corrective action order.

(8) No provision in this title shall preclude the director from issuing an order for involuntary dissolution of a state trust company without first having issued corrective action measures if:

(a) Pursuant to RCW 30B.44B.005, the director has determined there is no reasonable likelihood that a state trust company can be restored to a safe and sound condition in the foreseeable future; or

(b) The state trust company gives its consent pursuant to RCW 30B.44B.010.

NEW SECTION. Sec. 82. A new section is added to chapter 30B.46 RCW to read as follows:

GROUND FOR DETERMINING NEED FOR SUPERVISORY DIRECTIVE—ABATEMENT OF DETERMINATION—SUPERVISORY DIRECTIVE—COMPLIANCE—DIRECTOR'S AUTHORITY UPON NONCOMPLIANCE.

(1) If, upon examination or investigation, or at any other time, it appears to the director that a state trust company is in an unsafe condition and its condition is such as to render the continuance of its business, without the director's supervisory directive, harmful to the public or to its beneficiaries, shareholders, or trustors, then the director may either negotiate and enter into a supervisory agreement or memorandum of understanding with the state trust company, or issue and deliver a supervisory directive or corrective action order without its consent, the contents of which shall contain:

(a) Notice to the state trust company of the director's supervisory determination; and

(b) A written list and description of the requirements necessary to abate the director's determination.

(2) If placed under a supervisory directive, with or without its consent, the state trust company shall comply with the director's lawful requirements as contained in the supervisory directive and within such time as provided in the supervisory directive.

(3) If the state trust company fails to comply with the supervisory directive within the time provided, the director may issue and deliver to the state trust company, with or without its consent, a corrective action order or an order of conservatorship.

NEW SECTION. Sec. 83. A new section is added to chapter 30B.46 RCW to read as follows:

APPOINTMENT OF REPRESENTATIVE TO SUPERVISE.

During the period of a supervisory directive or corrective action order, the director may appoint a representative to supervise the state trust company.

NEW SECTION. Sec. 84. A new section is added to chapter 30B.46 RCW to read as follows:

SUPERVISORY DIRECTIVE OR CORRECTIVE ACTION ORDER—RESTRICTIONS ON OPERATIONS—OTHER REQUIREMENTS.

A supervisory directive or corrective action order may provide that the state trust company not do any of the following during the period of supervisory

direction, without the prior approval of the director or the appointed representative:

- (1) Dispose of, convey, or encumber any of its assets;
- (2) Acquire new trust assets under management;
- (3) Dispose of existing trust assets under management;
- (4) Withdraw any of its own funds from bank accounts;
- (5) Lend any of its funds;
- (6) Invest any of its funds;
- (7) Transfer any of its property;
- (8) Incur any debt, obligation, or liability;
- (9) Change the composition of the board of directors or management; or
- (10) Any other written restriction or requirement as determined by the director.

NEW SECTION. Sec. 85. A new section is added to chapter 30B.46 RCW to read as follows:

CONSERVATOR—APPOINTMENT—GROUNDS—POWERS, DUTIES, AND FUNCTIONS—IMMUNITY.

(1) If the director determines that a state trust company has failed to comply with the lawful requirements imposed by such supervisory directive or corrective action order, the director may by order, with or without consent of the state trust company, appoint a conservator for the state trust company, who shall immediately take charge of such state trust company and all of its property, books, records, and effects.

(2) The conservator shall conduct the business of the state trust company and take such steps toward the removal of the causes and conditions which necessitated such order of conservatorship, as the director may specify in the order.

(3) During the pendency of the conservatorship, the conservator shall make such reports to the director from time to time as may be required by the director, and shall be empowered to take all necessary measures to preserve, protect, and recover any assets or property of such state trust company, including claims or causes of actions belonging to or which may be asserted by such state trust company, and to deal with the same in his or her own name as conservator, and shall be empowered to file, prosecute, and defend any suit and suits which have been filed or which may be filed by or against such state trust company that are deemed by the conservator to be necessary to protect all of the interested parties for a property affected thereby.

(4) The director, an assistant director or other officer of the department, or an independent contractor appointed by the director may be appointed to serve as conservator.

(5) If, after issuance of the order of conservatorship, the director determines, after consultation with the conservator, that the state trust company is in an unsafe and unsound condition and ought not to continue business, the director may proceed to give advance notice to and take possession of the state trust company for involuntary liquidation pursuant to chapter 30B.44B RCW.

(6) The director, in his or her capacity as a conservator, or any other person appointed as conservator by the director, pursuant to this chapter is immune from criminal, civil, and administrative liability for any act done in good faith in the performance of the duties of conservator.

NEW SECTION. Sec. 86. A new section is added to chapter 30B.46 RCW to read as follows:

COSTS AS CHARGE AGAINST ASSETS.

(1) All costs incident to supervisory direction and the conservatorship shall be fixed and determined by the director and shall be a charge against the assets of the state trust company to be allowed and paid as the director may determine.

(2) A member of the board of directors of a state trust company or, in the case of a limited liability trust company, a managing participant, may, pursuant to notice and adjudication under chapter 30B.10 RCW, be found liable for such costs incurred that have not been recouped by the director out of the assets of the state trust company.

NEW SECTION. Sec. 87. A new section is added to chapter 30B.46 RCW to read as follows:

REQUEST FOR REVIEW OF ACTION—STAY OF ACTION—ORDERS SUBJECT TO REVIEW.

(1) During the period of the supervisory direction or period of conservatorship, as applicable, the state trust company may request the director to review an action taken or proposed to be taken by a representative under a supervisory directive or by the conservator, specifying that the action complained of is believed not to be in the best interest of the state trust company.

(2) A request made under subsection (1) of this section shall stay the action of the representative or conservator pending review of such action by the director.

(3) An order by the director pursuant to this section, following the review of an action or proposed action of the representative or conservator, shall be subject to judicial review in accordance with section 25 of this act.

NEW SECTION. Sec. 88. A new section is added to chapter 30B.46 RCW to read as follows:

SUIT AGAINST STATE TRUST COMPANY OR CONSERVATOR—WHERE BROUGHT—SUIT BY CONSERVATOR.

(1) A suit filed against a state trust company or its conservator, after the issuance of an order by the director placing such state trust company in conservatorship and while such order is in effect, shall be brought in the superior court of Thurston county and not elsewhere.

(2) The conservator appointed for such state trust company may file suit in any superior court or other court of competent jurisdiction against any person for the purpose of preserving, protecting, or recovering any asset or property of such state trust company, including claims or causes of action belonging to or which may be asserted by such state trust company.

NEW SECTION. Sec. 89. A new section is added to chapter 30B.46 RCW to read as follows:

DURATION OF CONSERVATOR'S TERM—REHABILITATED STATE TRUST COMPANY—MANAGEMENT.

(1) The conservator shall serve for such time as is necessary to accomplish the purposes of the conservatorship as intended by this chapter.

(2) If rehabilitated, the rehabilitated state trust company shall be returned to preexisting management or new management under such conditions as are

reasonable and necessary to prevent recurrence of the condition which occasioned the conservatorship.

NEW SECTION. Sec. 90. A new section is added to chapter 30B.46 RCW to read as follows:

PLENARY AUTHORITY OF THE DIRECTOR—FLEXIBILITY IN USE OF REMEDIES.

(1) If the director determines to act under authority of this chapter, the sequence of his or her acts and proceedings shall be as set forth in this chapter.

(2) However, the director may, in the exercise of broad administrative discretion, proceed in lieu of this chapter and pursuant to other authority including, without limitation, notice and adjudication under chapter 30B.10 RCW or by means of seeking a direct judicial remedy in superior court.

NEW SECTION. Sec. 91. A new section is added to chapter 30B.46 RCW to read as follows:

RULES.

The director is empowered to adopt and promulgate such rules as may be further necessary, if at all, for the implementation of this chapter and its purposes.

Sec. 92. RCW 30B.53.002 and 2014 c 37 s 387 are each amended to read as follows:

This chapter applies to any merger or (~~(consolidation))~~ change of control in which a state trust company is a party.

Sec. 93. RCW 30B.53.005 and 2014 c 37 s 388 are each amended to read as follows:

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

(1) "Acquiring person" means a person acquiring or seeking to acquire control of a state trust company, directly or indirectly.

(2) "Control," "controls," "controlled," and "controlling" mean:

(a) The ownership of or ability or power to vote, directly, acting through one or more other persons, or otherwise indirectly, twenty-five percent or more of the outstanding shares of a class of voting securities of a state trust company or other company;

(b) The ability to control the election of a majority of the board of a state trust company or other company;

(c) The power to exercise, directly or indirectly, a controlling influence over the management or policies of the state trust company or other company as determined by the director after notice and an opportunity for hearing; or

(d) The conditioning of the transfer of twenty-five percent or more of the outstanding shares or participation shares of a class of voting securities of a state trust company on the transfer of twenty-five percent or more of the outstanding shares of a class of voting securities of another state trust company or other company.

(3) "Merger" includes consolidation.

~~((2))~~(4) "Merging trust company" means a party to a merger.

~~((3))~~(5) "Resulting trust company" means the trust company resulting from a merger.

((4) "Vote of stockholders" or "vote of classes of stockholders" means only a vote of those entitled to vote under the terms of such shares.))

NEW SECTION, Sec. 94. A new section is added to chapter 30B.53 RCW to read as follows:

ACQUISITION OF CONTROL—NOTICE AND APPLICATION—REGISTRATION STATEMENT—VIOLATIONS—PENALTIES.

(1) An acquiring person shall not acquire control of a state trust company until thirty days after filing with the director a written notice of and application for change of control containing the following information, plus any additional information that the director may prescribe as necessary or appropriate in the particular instance for the protection of shareholders, trustors, beneficiaries, and the public interest:

(a) The identity and trust and other business experience of each acquiring person by whom or on whose behalf acquisition is to be made, including the identity and experience of:

(i) The officers, managers, and directors of the acquiring person; and

(ii) Any proposed new officers, managers, or directors for the state trust company in the event of a change of control of the state trust company;

(b) The financial and managerial resources and future prospects of each person involved in the acquisition;

(c) The terms and conditions of any proposed acquisition and the manner in which the acquisition is to be made;

(d) The source and amount of the funds or other consideration used or to be used in making the acquisition, and a description of the transaction and the names of the parties if any portion of these funds or other consideration has been or is to be borrowed or otherwise obtained for the purpose of making the acquisition;

(e) Any plan or proposal which any person making the acquisition may have to liquidate the state trust company, to sell its assets, to merge it with another trust institution, or to make any other major change in its business or corporate structure for management;

(f) The identification of any person employed, retained, or to be compensated by the acquiring person, or by any person on its behalf, who makes solicitations or recommendations to shareholders for the purpose of assisting in the acquisition and a brief description of the terms of the employment, retainer, or arrangement for compensation; and

(g) Copies of all invitations for tenders or advertisements making a tender offer to shareholders for the purchase of their shares to be used in connection with the proposed acquisition.

(2) When an entity is required to file an application under this section, the director may require that information required by subsection (1)(a), (b), and (f) of this section be given for each officer, manager, and director of such entity, and each person who is directly or indirectly the beneficial owner of twenty-five percent or more of the outstanding voting securities of the entity.

(3) If any tender offer, request, or invitation for tenders or other agreements to acquire control is proposed to be made by means of a registration statement under the securities act of 1933, 48 Stat. 74, 15 U.S.C. Sec. 77(a), as amended, or in circumstances requiring the disclosure of similar information under the securities exchange act of 1934, 48 Stat. 881, 15 U.S.C. Sec. 78(a), as amended,

the registration statement or application may be filed with the director in lieu of the requirements of this section.

(4) Any acquiring person shall also deliver a copy of any notice and application required by this section to the state trust company proposed to be acquired within two days after the notice and application is filed with the director.

(5) Any acquisition of control in violation of this section shall be ineffective and void.

(6) Any person who willfully or intentionally violates this section or any rule adopted pursuant to this section is guilty of a gross misdemeanor pursuant to chapter 9A.20 RCW. Each day's violation shall be considered a separate violation, and any person shall upon conviction be fined not more than one thousand dollars for each day the violation continues.

NEW SECTION. Sec. 95. A new section is added to chapter 30B.53 RCW to read as follows:

**ACQUISITION OF CONTROL OF STATE TRUST COMPANY—
DISAPPROVAL BY DIRECTOR—CHANGE OF OFFICERS.**

(1) The director may disapprove the acquisition of a state trust company within thirty days after the filing of a complete application pursuant to section 94 of this act or an extended period not exceeding an additional fifteen days if:

(a) The poor financial condition of any acquiring person might jeopardize the financial stability of the state trust company or might prejudice the interests of the state trust company's shareholders or the trustors or beneficiaries of trusts in which the state trust company is a trustee or investment advisor;

(b) The plan or proposal of the acquiring person to liquidate the state trust company, to sell its assets or transfer its fiduciary assets, to merge it with any person, or to make any other major change in its business or corporate structure or management that is not fair and reasonable to the state trust company's shareholders or the trustors or beneficiaries of trusts in which the state trust company is a trustee or investment advisor;

(c) The fiduciary and other business experience and integrity of any acquiring person who would control the operation of the state trust company indicates that approval would not be in the interest of the state trust company's shareholders or the trustors or beneficiaries of trusts in which the state trust company is a trustee or investment advisor;

(d) The information provided by the application is insufficient for the director to make a determination or there has been insufficient time to verify the information provided and conduct an examination of the qualification of the acquiring person; or

(e) The acquisition would not be in the public interest.

(2) An acquisition may be made prior to expiration of the disapproval period if the director issues written notice of intent not to disapprove the action.

(3) The director shall set forth the basis for disapproval of any proposed acquisition in writing and shall provide a copy of such findings and order to the applicants and to the state trust company involved. Such findings and order shall not be disclosed to any other person and shall not be subject to public disclosure under chapter 42.56 RCW unless the findings or order are appealed pursuant to chapter 34.05 RCW.

(4) Whenever such a change of control occurs, each party to the transaction shall report promptly to the director any changes or replacement of its chief executive officer, managers, or any director, which occurs in the following twelve-month period, including in its report a statement of the past and present business and professional affiliations of the new chief executive officer, managers, or directors.

Sec. 96. RCW 30B.53.010 and 2014 c 37 s 389 are each amended to read as follows:

Upon approval by the director consistent with this chapter, merging trust companies, one of which is a state trust company, may be merged to result in a resulting trust company.

Sec. 97. RCW 30B.53.020 and 2014 c 37 s 390 are each amended to read as follows:

(1) The board of directors of each merging trust company shall, by a majority of the entire board, approve a merger agreement that must contain:

(a) The name of each merging trust company and location of each office;

(b) With respect to the resulting trust company, (i) the name and location of the principal and other offices; (ii) the name and mailing address of each director to serve until the next annual meeting of the ((stockholders))shareholders; (iii) the name and mailing address of each officer; (iv) the amount of capital, the number of shares, and the par value, if any, of each share; and (v) the amendments to its charters and bylaws;

(c) Provisions governing the exchange of shares of the merging trust companies for such consideration as has been agreed to in the merger agreement;

(d) A statement that the agreement is subject to approval by the director and the ((stockholders))shareholders of each merging trust company;

(e) Provisions governing the manner of disposing of the shares of the resulting trust company if the shares are to be issued in the transaction and are not taken by dissenting shareholders of merging trust companies; and

(f) Any other provisions the director requires to discharge his or her duties with respect to the merger.

(2) After approval by the board of directors of each merging trust company, the merger agreement shall be submitted to the director for approval, together with certified copies of the authorizing resolutions of each board of directors showing approval by a majority of the entire board. Within sixty days after receipt by the director of the merger agreement and resolutions, the director shall approve or disapprove of the merger agreement, and if no action is taken, the agreement is deemed approved. The director shall approve the agreement if it appears that the:

(a) Resulting trust company meets the requirements of state law as to the formation of a new trust company;

(b) Agreement provides an adequate capital in relation to the deposit liabilities, if any, of the resulting trust company and its other activities which are to continue or are to be undertaken;

(c) Agreement is fair; and

(d) Merger is not contrary to the public interest.

If the director disapproves an agreement, he or she shall state his or her objections and give an opportunity to the merging trust company to amend the merger agreement to obviate such objections.

Sec. 98. RCW 30B.53.030 and 2014 c 37 s 391 are each amended to read as follows:

(1) To be effective, a merger that is to result in a trust company must be approved by the ~~((stockholders))~~shareholders of each merging trust company by a vote of two-thirds of the outstanding voting ~~((stock))~~shares of each class at a meeting called to consider such action. This vote shall constitute the adoption of the charter and bylaws of the resulting trust company, including the amendments in the merger agreement.

(2) Unless waived in writing, notice of the meeting of ~~((stockholders))~~shareholders shall be given by publication in a newspaper of general circulation in the place where the principal office of each merging trust company is located, at least once each week for four successive weeks, and by mail, at least fifteen days before the date of the meeting, to each ~~((stockholder))~~shareholder of record of each merging trust company at the address on the books of the ~~((stockholder's))~~shareholder's trust company. No notice of publication need be given if written waivers are received from the holders of two-thirds of the outstanding shares of each class of ~~((stock))~~shares. The notice shall state that dissenting ~~((stockholders))~~shareholders will be entitled to payment of the value of only those shares which are voted against approval of the plan.

Sec. 99. RCW 30B.53.040 and 2014 c 37 s 392 are each amended to read as follows:

(1) A merger that is to result in a trust company shall, unless a later date is specified in the agreement, become effective after the filing with and upon the approval of the director of the executed agreement together with copies of the resolutions of the ~~((stockholders))~~shareholders of each merging trust company approving it, certified by the trust company's president or ~~((a vice president))~~manager and ~~((a))~~the secretary. The charters of the merging trust companies, other than the resulting trust company, shall immediately after that automatically terminate.

(2) The director shall immediately after that issue to the resulting trust company a certificate of merger specifying the name of each merging trust company and the name of the resulting trust company. The certificate shall be conclusive evidence of the merger and of the correctness of all proceedings regarding the merger in all courts and places, and may be recorded in any office for the recording of deeds to evidence the new name in which the property of the merging trust companies is held.

Sec. 100. RCW 30B.53.060 and 2014 c 37 s 394 are each amended to read as follows:

(1) The owner of shares of a trust company that were voted against a merger to result in a trust company shall be entitled to receive their value in cash, if and when the merger becomes effective, upon written demand made to the resulting trust company at any time within thirty days after the effective date of the merger, accompanied by the surrender of the ~~((stock))~~share certificates. The value of the shares shall be determined, as of the date of the

~~((stockholders'))shareholders'~~ meeting approving the merger, by three appraisers, one to be selected by the owners of two-thirds of the dissenting shares, one by the board of directors of the resulting trust company, and the third by the two so chosen. The valuation agreed upon by any two appraisers shall govern. If the appraisal is not completed within ninety days after the merger becomes effective, the director shall cause an appraisal to be made.

(2) The dissenting shareholders shall bear, on a pro rata basis based on number of dissenting shares owned, the cost of their appraisal and one-half of the cost of a third appraisal, and the resulting trust company shall bear the cost of its appraisal and one-half of the cost of the third appraisal. If the director causes an appraisal to be made, the cost of that appraisal shall be borne equally by the dissenting shareholders and the resulting trust company, with the dissenting shareholders sharing their half of the cost on a pro rata basis based on number of dissenting shares owned.

(3) The resulting trust company may fix an amount which it considers to be not more than the fair market value of the shares of a merging trust company at the time of the ~~((stockholders'))shareholders'~~ meeting approving the merger, that it will pay dissenting shareholders of the trust company entitled to payment in cash. The amount due under an accepted offer or under the appraisal shall constitute a debt of the resulting trust company.

Sec. 101. RCW 30B.72.010 and 2014 c 37 s 402 are each amended to read as follows:

(1) An out-of-state trust institution that has, prior to ~~((January 5, 2015))the effective date of this section~~, obtained approval from the director under authority of Title 30 RCW, as it existed ~~((on))before January 5, 2015, or under authority of this title, as it existed prior to the effective date of this section~~, to engage in trust business in ~~((this))Washington~~ state and has continuously since the date of such approval held itself out to the public as engaging in trust business in ~~((this))Washington~~ state, shall be exempt from the requirement of notice to or obtaining approval from the director pursuant to chapter 30B.38 RCW.

(2) For purposes of this section, the term "director" includes the former office of the supervisor of banks that merged into the department under authority of chapter 43.320 RCW.

(3) For purposes of this section, satisfactory evidence of approval from the director may be established only by written evidence that the director gave his or her approval prior to ~~((January 5, 2015))the effective date of this section~~, in the form of a certificate of authority, declaration of reciprocity between ~~((this))Washington~~ state and the home state of the out-of-state trust institution, or the equivalent. Authorization from the secretary of state to transact business in ~~((this))Washington~~ state as a foreign corporation or foreign limited liability company is not by itself satisfactory evidence of such approval from the director.

(4) For purposes of this section, an out-of-state trust institution with satisfactory evidence of the director's approval to engage in trust business prior to ~~((January 5, 2015))the effective date of this section~~, is presumed to have:

(a) Complied with ~~((RCW 30B.38.040(1)))chapter 30B.38 RCW~~; and

(b) Continuously held itself out to the public as engaging in trust business in ~~((this))Washington~~ state since the date of the director's approval ~~((by demonstrating that it has maintained uninterrupted and without lapse registration~~

~~with the secretary of state as a foreign corporation under chapter 23B.15 RCW or foreign limited liability company under chapter 25.15 RCW).~~

Sec. 102. RCW 42.56.400 and 2018 c 260 s 32 and 2018 c 30 s 9 are each reenacted and amended to read as follows:

The following information relating to insurance and financial institutions is exempt from disclosure under this chapter:

(1) Records maintained by the board of industrial insurance appeals that are related to appeals of crime victims' compensation claims filed with the board under RCW 7.68.110;

(2) Information obtained and exempted or withheld from public inspection by the health care authority under RCW 41.05.026, whether retained by the authority, transferred to another state purchased health care program by the authority, or transferred by the authority to a technical review committee created to facilitate the development, acquisition, or implementation of state purchased health care under chapter 41.05 RCW;

(3) The names and individual identification data of either all owners or all insureds, or both, received by the insurance commissioner under chapter 48.102 RCW;

(4) Information provided under RCW 48.30A.045 through 48.30A.060;

(5) Information provided under RCW 48.05.510 through 48.05.535, 48.43.200 through 48.43.225, 48.44.530 through 48.44.555, and 48.46.600 through 48.46.625;

(6) Examination reports and information obtained by the department of financial institutions from banks under RCW 30A.04.075, from savings banks under RCW 32.04.220, from savings and loan associations under RCW 33.04.110, from credit unions under RCW 31.12.565, from check cashers and sellers under RCW 31.45.030(3), and from securities brokers and investment advisers under RCW 21.20.100, all of which is confidential and privileged information;

(7) Information provided to the insurance commissioner under RCW 48.110.040(3);

(8) Documents, materials, or information obtained by the insurance commissioner under RCW 48.02.065, all of which are confidential and privileged;

(9) Documents, materials, or information obtained by the insurance commissioner under RCW 48.31B.015(2) (l) and (m), 48.31B.025, 48.31B.030, and 48.31B.035, all of which are confidential and privileged;

(10) Data filed under RCW 48.140.020, 48.140.030, 48.140.050, and 7.70.140 that, alone or in combination with any other data, may reveal the identity of a claimant, health care provider, health care facility, insuring entity, or self-insurer involved in a particular claim or a collection of claims. For the purposes of this subsection:

(a) "Claimant" has the same meaning as in RCW 48.140.010(2).

(b) "Health care facility" has the same meaning as in RCW 48.140.010(6).

(c) "Health care provider" has the same meaning as in RCW 48.140.010(7).

(d) "Insuring entity" has the same meaning as in RCW 48.140.010(8).

(e) "Self-insurer" has the same meaning as in RCW 48.140.010(11);

(11) Documents, materials, or information obtained by the insurance commissioner under RCW 48.135.060;

(12) Documents, materials, or information obtained by the insurance commissioner under RCW 48.37.060;

(13) Confidential and privileged documents obtained or produced by the insurance commissioner and identified in RCW 48.37.080;

(14) Documents, materials, or information obtained by the insurance commissioner under RCW 48.37.140;

(15) Documents, materials, or information obtained by the insurance commissioner under RCW 48.17.595;

(16) Documents, materials, or information obtained by the insurance commissioner under RCW 48.102.051(1) and 48.102.140 (3) and (7)(a)(ii);

(17) Documents, materials, or information obtained by the insurance commissioner in the commissioner's capacity as receiver under RCW 48.31.025 and 48.99.017, which are records under the jurisdiction and control of the receivership court. The commissioner is not required to search for, log, produce, or otherwise comply with the public records act for any records that the commissioner obtains under chapters 48.31 and 48.99 RCW in the commissioner's capacity as a receiver, except as directed by the receivership court;

(18) Documents, materials, or information obtained by the insurance commissioner under RCW 48.13.151;

(19) Data, information, and documents provided by a carrier pursuant to section 1, chapter 172, Laws of 2010;

(20) Information in a filing of usage-based insurance about the usage-based component of the rate pursuant to RCW 48.19.040(5)(b);

(21) Data, information, and documents, other than those described in RCW 48.02.210(2) as it existed prior to repeal by section 2, chapter 7, Laws of 2017 3rd ~~((sp.s.))~~ sp. sess., that are submitted to the office of the insurance commissioner by an entity providing health care coverage pursuant to RCW 28A.400.275 as it existed on January 1, 2017, and ~~((RCW))~~ RCW 48.02.210 as it existed prior to repeal by section 2, chapter 7, Laws of 2017 3rd ~~((sp.s.))~~ sp. sess.;

(22) Data, information, and documents obtained by the insurance commissioner under RCW 48.29.017;

(23) Information not subject to public inspection or public disclosure under RCW 48.43.730(5);

(24) Documents, materials, or information obtained by the insurance commissioner under chapter 48.05A RCW;

(25) Documents, materials, or information obtained by the insurance commissioner under RCW 48.74.025, 48.74.028, 48.74.100(6), 48.74.110(2) (b) and (c), and 48.74.120 to the extent such documents, materials, or information independently qualify for exemption from disclosure as documents, materials, or information in possession of the commissioner pursuant to a financial conduct examination and exempt from disclosure under RCW 48.02.065;

(26) Nonpublic personal health information obtained by, disclosed to, or in the custody of the insurance commissioner, as provided in RCW 48.02.068;

(27) Data, information, and documents obtained by the insurance commissioner under RCW 48.02.230; ~~((and))~~

(28) Documents, materials, or other information, including the corporate annual disclosure obtained by the insurance commissioner under RCW 48.195.020.

(29) Findings and orders disapproving acquisition of a trust institution under section 95(3) of this act; and

(30) All claims data, including health care and financial related data received under RCW 41.05.890, received and held by the health care authority.

NEW SECTION. Sec. 103. The following acts or parts of acts are each repealed:

(1) RCW 30A.08.160 (Report of bond liability—Collateral) and 1994 c 92 s 59 & 1955 c 33 s 30.08.160;

(2) RCW 30A.08.170 (Securities may be held in name of nominee) and 1955 c 33 s 30.08.170;

(3) RCW 30B.04.150 (Acquisition of control) and 2014 c 37 s 317;

(4) RCW 30B.44B.020 (Other requirements for involuntary dissolution and liquidation) and 2014 c 37 s 384;

(5) RCW 30B.46.005 (Supervisory direction) and 2014 c 37 s 385; and

(6) RCW 30B.46.010 (Conservatorship) and 2014 c 37 s 386.

Passed by the Senate April 22, 2019.

Passed by the House April 12, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 390

[Engrossed Substitute Senate Bill 5183]

MANUFACTURED/MOBILE HOMES--VARIOUS PROVISIONS

AN ACT Relating to manufactured/mobile homes; amending RCW 59.21.005, 59.21.021, 59.21.025, 59.21.050, 46.17.155, 59.30.050, 84.36.560, 35.21.684, 35A.21.312, 36.01.225, 59.20.060, and 59.20.---; reenacting and amending RCW 59.21.010 and 82.45.010; adding a new section to chapter 59.21 RCW; creating new sections; providing a contingent effective date; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 59.21.005 and 1995 c 122 s 2 are each amended to read as follows:

The legislature recognizes that it is quite costly ~~((to move a mobile home))~~ for tenants who own homes in manufactured/mobile home parks to relocate when the park in which they reside is closed or converted to another use. Many ~~((mobile home))~~ such tenants need financial assistance in order to ~~((move their mobile homes from a))~~ relocate from a manufactured/mobile home park. The purpose of this chapter is to provide a mechanism for assisting manufactured/mobile home tenants to relocate their manufactured/mobile homes to suitable alternative sites ~~((when the mobile home park in which they reside is closed or converted to another use))~~ or demolish and dispose of their homes and secure housing.

Sec. 2. RCW 59.21.010 and 2009 c 565 s 47 are each reenacted and amended to read as follows:

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

(1) "Assignee" means an individual or entity who has agreed to advance allowable relocation assistance expenses in exchange for the assignment and transfer of a right to reimbursement from the fund.

(2) "Department" means the department of commerce.

~~((2))~~ (3) "Director" means the director of the department of commerce.

~~((3))~~ (4) "Fund" means the manufactured/mobile home park relocation fund established under RCW 59.21.050.

~~((4))~~ (5) "Landlord" or "park-owner" means the owner of the manufactured/mobile home park that is being closed at the time relocation assistance is provided.

~~((5))~~ (6) "Low-income household" means a single person, family, or unrelated persons living together whose adjusted income is less than eighty percent of the median family income, adjusted for household size, for the county where the manufactured/mobile home is located.

(7) "Manufactured/mobile home park" or "park" means real property that is rented or held out for rent to others for the placement of two or more manufactured/mobile homes for the primary purpose of production of income, except where the real property is rented or held out for rent for seasonal recreational purpose only and is not intended for year-round occupancy.

~~((6))~~ (8) "Relocate" means to do one of the following:

(a) Remove ~~((the))~~ a manufactured/mobile home from ~~((the))~~ a manufactured/mobile home park being closed and ~~((to either))~~ reinstall it in another location ~~((or to)); or~~

(b) Remove a manufactured/mobile home from a manufactured/mobile home park being closed and demolish and dispose of it ~~((and purchase another mobile/manufactured home constructed to the standards set by the department of housing and urban development)) and secure other housing.~~

~~((7))~~ (9) "Relocation assistance" means the monetary assistance provided under this chapter, including reimbursement for the costs of relocation as well as cash assistance provided to allow the tenant to secure new housing.

(10) "Tenant" means a person that owns a manufactured/mobile home located on a rented lot in a manufactured/mobile home park.

Sec. 3. RCW 59.21.021 and 2005 c 399 s 5 are each amended to read as follows:

(1) If a manufactured/mobile home park is closed or converted to another use ~~((after December 31, 1995)),~~ eligible tenants shall be entitled to relocation assistance on a first-come, first-serve basis. The department shall give priority for distribution of relocation assistance to eligible tenants residing in parks that are closed as a result of park-owner fraud or as a result of health and safety concerns as determined by the local board of health. Payments shall be made upon the department's verification of eligibility, subject to the availability of remaining funds.

(2) Eligibility for relocation assistance funds is limited to low-income households. ~~((As used in this section, "low-income household" means a single person, family, or unrelated persons living together whose adjusted income is less than eighty percent of the median family income, adjusted for household size, for the county where the mobile or manufactured home is located.~~

~~(2) Assistance for closures occurring after December 31, 1995, is limited to persons who maintain ownership of and relocate their mobile home or who dispose of a home not relocatable to a new site.)~~

~~(3) ((Persons)) (a) Eligible tenants who ((removed and disposed of their mobile home or maintained ownership of and relocated their mobile homes)) relocate are entitled to ((reimbursement of actual relocation expenses)) financial assistance from the fund, up to a maximum of twelve thousand dollars for a ((double-wide)) multisection home and up to a maximum of seven thousand five hundred dollars for a single-((wide)) section home. The department shall distribute relocation assistance for each eligible tenant as follows:~~

~~(i) Up to forty percent of the total assistance may be disbursed in the form of cash assistance to help the tenant secure new housing; and~~

~~(ii) The remainder of the total assistance shall be disbursed as reimbursement for costs associated with relocation.~~

~~(b) To receive financial assistance as provided in (a)(i) of this subsection, documentation must be provided to the department that demonstrates the tenant:~~

~~(i) Has relocated the home;~~

~~(ii) Has established a process to secure the relocation of the home by having assigned the right to reimbursement of the relocation costs and liability for such removal or demolition and disposal to another entity; or~~

~~(iii) Has contracted to incur expenses associated with relocating the home.~~

~~(c) If the tenant is requesting financial assistance under (b)(ii) or (iii) of this subsection, the tenant, or the assignee on the tenant's behalf, must submit as part of the application described in RCW 59.21.050(2):~~

~~(i) Proof of the assignation; and~~

~~(ii) Evidence that the assignee is capable of fulfilling the obligation itself or a contract or invoice for relocation of the home executed with a vendor by the tenant or the assignee.~~

~~(4) Any individual or organization may apply to receive funds from the ((mobile home park relocation)) fund, for use in combination with funds from public or private sources, toward relocation of tenants eligible under this section, with agreement from the tenant. ((Funds received from the mobile home park relocation fund shall only be used for relocation assistance expenses or other mobile/manufactured home ownership expenses, that include down payment assistance, if the owners are not planning to relocate their mobile home as long as their original home is removed from the park.))~~

~~(5) The legislature intends the cash assistance provided undersubsection (3)(a)(i) of this section to be considered a one-timedirect grant payment that shall be excluded from household incomecalculations for purposes of determining the eligibility of therecipient for benefits or assistance under any state program financedin whole or in part with state funds.~~

Sec. 4. RCW 59.21.025 and 1998 c 124 s 3 are each amended to read as follows:

~~((+)) If financial assistance for relocation is obtained from sources other than the ((mobile home park relocation)) fund ((established under this chapter)), then the relocation assistance provided to any person ((under this chapter)) from the fund shall be reduced as necessary to ensure that no person receives financial assistance for relocation from all sources combined ((more than: (a) That person's actual cost of relocation; or (b) seven thousand dollars for a double-~~

~~wide mobile home and three thousand five hundred dollars for a single-wide mobile home.~~

~~(2) When a person receives financial assistance for relocation from a source other than the mobile home park relocation assistance fund, then the assistance received from the fund will be the difference between the maximum amount to which a person is entitled under RCW 59.21.021(3) and the amount of assistance received from the outside source.~~

~~(3) If the amount of assistance received from an outside source exceeds the maximum amounts of assistance to which a person is entitled under RCW 59.21.021(3), then that person will not receive any assistance from the mobile home park relocation assistance fund) in excess of that person's actual relocation expenses.~~

Sec. 5. RCW 59.21.050 and 2011 c 158 s 7 are each amended to read as follows:

(1)(a) The existence of the manufactured/mobile home park relocation fund in the custody of the state treasurer is affirmed.

(b) Expenditures from the fund may only be used as follows:

(i) Except as provided in subsection (3) of this section, all moneys received from the fee as specified in RCW 46.17.155 must be used only for relocation assistance awarded under this chapter.

(ii) All moneys received from the fee as specified in RCW 59.30.050 must be used only for the relocation coordination program created in section 8 of this act.

(c) Only the director or the director's designee may authorize expenditures from the fund. All relocation payments to tenants shall be made from the fund. The fund is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures.

(2) A ~~((park))~~ tenant is eligible for relocation assistance under this chapter only after an application is submitted by that tenant or an organization acting on the tenant's account under RCW 59.21.021(4) on a form approved by the director ~~((which)).~~ The application shall include: (a) ~~((For those persons who maintained ownership of and relocated their homes or removed their homes from the park; (i)))~~ A copy of the notice from the park-owner, or other adequate proof, that the tenancy is terminated due to closure of the park or its conversion to another use; ~~((; (ii)))~~ (b) a copy of the rental agreement then in force, or other proof that the applicant was a tenant at the time of notice of closure; ~~((; (iii) a copy of the contract for relocating the home which includes the date of relocation, or other proof of actual))~~ (c) a statement of relocation expenses expected to be incurred ~~((on a date certain));~~ ~~((and (iv)))~~ (d) proof of ownership of the home at the time of notice of closure; and (e) a statement of any other available assistance~~(;)~~ received.

~~((b) For those persons who sold their homes and incurred no relocation expenses: (i) A copy of the notice from the park owner, or other adequate proof, that the tenancy is terminated due to closure of the park or its conversion to another use; (ii) a copy of the rental agreement then in force, or other proof that the applicant was a tenant at the time of notice of closure; and (iii) a copy of the record of title transfer issued by the department of licensing when the tenant sold the home rather than relocate it due to park closure or conversion.))~~

(3) The department may deduct a percentage amount of the fee collected under RCW 46.17.155 for administration expenses incurred by the department.

Sec. 6. RCW 46.17.155 and 2010 c 161 s 511 are each amended to read as follows:

(1) Before accepting an application for a certificate of title for an original or transfer manufactured home transaction as required in this title or chapter 65.20 RCW, the department, county auditor or other agent, or subagent appointed by the director shall require the applicant to pay a ~~((one hundred dollar))~~ fee, in accordance with subsection (4) of this section, in addition to any other fees and taxes required by law if the manufactured home:

(a) Is located in a mobile home park;

(b) Is one year old or older; and

(c) Is new or ownership changes, excluding changes that involve adding or deleting spouse or domestic partner coregistered owners or legal owners ~~((; and~~
(~~d) Sales price is five thousand dollars or more~~)).

(2) The ~~((one hundred dollar))~~ fee amount established in subsection (4) of this section must be forwarded to the state treasurer, who shall deposit the fee in the manufactured/mobile home park relocation fund created in RCW 59.21.050.

(3) The department and the state treasurer may adopt rules necessary to carry out this section.

(4) The amount of the fee that the department must collect must be 0.25 percent of the sale price of the manufactured home, but in no case may the fee be less than one hundred dollars or greater than five hundred dollars.

Sec. 7. RCW 59.30.050 and 2013 c 144 s 42 are each amended to read as follows:

(1) The department must register all manufactured/mobile home communities, which registration must be renewed annually. Each community must be registered separately. The department must mail registration notifications to all known manufactured/mobile home community landlords. Registration information packets must include:

(a) Registration forms; and

(b) Registration assessment information, including registration due dates and late fees, and the collections procedures, liens, and charging costs to tenants.

(2) To apply for registration or registration renewal, the landlord of a manufactured/mobile home community must file with the department an application for registration or registration renewal on a form provided by the department and must pay a registration fee as described in subsection (3) of this section. The department may require the submission of information necessary to assist in identifying and locating a manufactured/mobile home community and other information that may be useful to the state, which must include, at a minimum:

(a) The names and addresses of the owners of the manufactured/mobile home community;

(b) The name and address of the manufactured/mobile home community;

(c) The name and address of the landlord and manager of the manufactured/mobile home community;

(d) The number of lots within the manufactured/mobile home community that are subject to chapter 59.20 RCW; and

(e) The addresses of each manufactured/mobile home lot within the manufactured/mobile home community that is subject to chapter 59.20 RCW.

(3) Each manufactured/mobile home community landlord must pay to the department:

(a) A one-time business license application fee for the first year of registration and, in subsequent years, an annual renewal application fee, as provided in RCW 19.02.075; and

(b) An annual registration assessment of ~~((ten))~~ fifteen dollars for each manufactured/mobile home that is subject to chapter 59.20 RCW within a manufactured/mobile home community. Manufactured/mobile home community landlords may charge a maximum of five dollars of this assessment to tenants. Nine dollars of the registration assessment for each manufactured/mobile home must be deposited into the manufactured/mobile home dispute resolution program account created in RCW 59.30.070 to fund the costs associated with the manufactured/mobile home dispute resolution program. ~~((The remaining))~~ One dollar of the registration assessment must be deposited into the business license account created in RCW 19.02.210. The remaining five dollars of the registration assessment must be deposited into the manufactured/mobile home park relocation fund created in RCW 59.21.050. The annual registration assessment must be reviewed once each biennium by the department and the attorney general and may be adjusted to reasonably relate to the cost of administering this chapter. The registration assessment may not exceed ~~((ten))~~ fifteen dollars, but if the assessment is reduced, the portion allocated to the manufactured/mobile home dispute resolution program account ~~((and))~~, the business license account, and the manufactured/mobile home park relocation fund must be adjusted proportionately.

(4) Initial registrations of manufactured/mobile home communities must be filed before November 1, 2007, or within three months of the availability of mobile home lots for rent within the community. The manufactured/mobile home community is subject to a delinquency fee of two hundred fifty dollars for late initial registrations. The delinquency fee must be deposited in the business license account. Renewal registrations that are not renewed by the expiration date as assigned by the department are subject to delinquency fees under RCW 19.02.085.

(5) Thirty days after sending late fee notices to a noncomplying landlord, the department may issue a warrant under RCW 59.30.090 for the unpaid registration assessment and delinquency fee. If a warrant is issued by the department under RCW 59.30.090, the department must add a penalty of ten percent of the amount of the unpaid registration assessment and delinquency fee, but not less than ten dollars. The warrant penalty must be deposited into the business license account created in RCW 19.02.210. Chapter 82.32 RCW applies to the collection of warrants issued under RCW 59.30.090.

(6) Registration is effective on the date determined by the department, and the department must issue a registration number to each registered manufactured/mobile home community. The department must provide an expiration date, assigned by the department, to each manufactured/mobile home community who registers.

NEW SECTION, Sec. 8. A new section is added to chapter 59.21 RCW to read as follows:

(1) A relocation coordination program is created within the department for the purpose of assisting tenants of a mobile home park scheduled for closure or conversion to another use with the process of relocation.

(2) The relocation coordination program assistance may include, but is not limited to, performing casework on behalf of individual tenants, maintaining and distributing informational resources for tenants regarding the process for relocating and disposal of manufactured/mobile homes, researching and distributing current information regarding available locations for manufactured/mobile homes and other forms of available housing, and researching and distributing information regarding other sources of financial assistance that may be available to secure new housing.

NEW SECTION. Sec. 9. This section is the tax preference performance statement for the tax preference contained in section 10, chapter . . . , Laws of 2019 (section 10 of this act). This performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(1) The legislature categorizes this tax preference as one intended to induce certain designated behaviors by taxpayers, as indicated in RCW 82.32.808(2)(a).

(2) It is the legislature's specific public policy objective to preserve the affordable housing opportunities provided by existing manufactured/mobile home communities. It is the legislature's intent to encourage owners to sell existing communities to tenants and eligible organizations by providing a real estate excise tax exemption.

(3) To measure the effectiveness of this tax preference in achieving the specific public policy objective described in subsection (2) of this section, the joint legislative audit and review committee must, at minimum, review the number of units of housing that are preserved as a result of qualified sales of manufactured/mobile home communities and the total amount of exemptions claimed, as reported to the department of revenue.

(4) The joint legislative audit and review committee may use any other data it deems necessary in performing the evaluation under this section.

Sec. 10. RCW 82.45.010 and 2018 c 223 s 3 and 2018 c 221 s 1 are each reenacted and amended to read as follows:

(1) As used in this chapter, the term "sale" has its ordinary meaning and includes any conveyance, grant, assignment, quitclaim, or transfer of the ownership of or title to real property, including standing timber, or any estate or interest therein for a valuable consideration, and any contract for such conveyance, grant, assignment, quitclaim, or transfer, and any lease with an option to purchase real property, including standing timber, or any estate or interest therein or other contract under which possession of the property is given to the purchaser, or any other person at the purchaser's direction, and title to the property is retained by the vendor as security for the payment of the purchase price. The term also includes the grant, assignment, quitclaim, sale, or transfer of improvements constructed upon leased land.

(2)(a) The term "sale" also includes the transfer or acquisition within any twelve-month period of a controlling interest in any entity with an interest in real property located in this state for a valuable consideration.

(b) For the sole purpose of determining whether, pursuant to the exercise of an option, a controlling interest was transferred or acquired within a twelve-month period, the date that the option agreement was executed is the date on which the transfer or acquisition of the controlling interest is deemed to occur. For all other purposes under this chapter, the date upon which the option is exercised is the date of the transfer or acquisition of the controlling interest.

(c) For purposes of this subsection, all acquisitions of persons acting in concert must be aggregated for purposes of determining whether a transfer or acquisition of a controlling interest has taken place. The department must adopt standards by rule to determine when persons are acting in concert. In adopting a rule for this purpose, the department must consider the following:

(i) Persons must be treated as acting in concert when they have a relationship with each other such that one person influences or controls the actions of another through common ownership; and

(ii) When persons are not commonly owned or controlled, they must be treated as acting in concert only when the unity with which the purchasers have negotiated and will consummate the transfer of ownership interests supports a finding that they are acting as a single entity. If the acquisitions are completely independent, with each purchaser buying without regard to the identity of the other purchasers, then the acquisitions are considered separate acquisitions.

(3) The term "sale" does not include:

(a) A transfer by gift, devise, or inheritance.

(b) A transfer by transfer on death deed, to the extent that it is not in satisfaction of a contractual obligation of the decedent owed to the recipient of the property.

(c) A transfer of any leasehold interest other than of the type mentioned above.

(d) A cancellation or forfeiture of a vendee's interest in a contract for the sale of real property, whether or not such contract contains a forfeiture clause, or deed in lieu of foreclosure of a mortgage.

(e) The partition of property by tenants in common by agreement or as the result of a court decree.

(f) The assignment of property or interest in property from one spouse or one domestic partner to the other spouse or other domestic partner in accordance with the terms of a decree of dissolution of marriage or state registered domestic partnership or in fulfillment of a property settlement agreement.

(g) The assignment or other transfer of a vendor's interest in a contract for the sale of real property, even though accompanied by a conveyance of the vendor's interest in the real property involved.

(h) Transfers by appropriation or decree in condemnation proceedings brought by the United States, the state or any political subdivision thereof, or a municipal corporation.

(i) A mortgage or other transfer of an interest in real property merely to secure a debt, or the assignment thereof.

(j) Any transfer or conveyance made pursuant to a deed of trust or an order of sale by the court in any mortgage, deed of trust, or lien foreclosure proceeding or upon execution of a judgment, or deed in lieu of foreclosure to satisfy a mortgage or deed of trust.

(k) A conveyance to the federal housing administration or veterans administration by an authorized mortgagee made pursuant to a contract of insurance or guaranty with the federal housing administration or veterans administration.

(l) A transfer in compliance with the terms of any lease or contract upon which the tax as imposed by this chapter has been paid or where the lease or contract was entered into prior to the date this tax was first imposed.

(m) The sale of any grave or lot in an established cemetery.

(n) A sale by the United States, this state or any political subdivision thereof, or a municipal corporation of this state.

(o) A sale to a regional transit authority or public corporation under RCW 81.112.320 under a sale/leaseback agreement under RCW 81.112.300.

(p) A transfer of real property, however effected, if it consists of a mere change in identity or form of ownership of an entity where there is no change in the beneficial ownership. These include transfers to a corporation or partnership which is wholly owned by the transferor and/or the transferor's spouse or domestic partner or children of the transferor or the transferor's spouse or domestic partner. However, if thereafter such transferee corporation or partnership voluntarily transfers such real property, or such transferor, spouse or domestic partner, or children of the transferor or the transferor's spouse or domestic partner voluntarily transfer stock in the transferee corporation or interest in the transferee partnership capital, as the case may be, to other than (i) the transferor and/or the transferor's spouse or domestic partner or children of the transferor or the transferor's spouse or domestic partner, (ii) a trust having the transferor and/or the transferor's spouse or domestic partner or children of the transferor or the transferor's spouse or domestic partner as the only beneficiaries at the time of the transfer to the trust, or (iii) a corporation or partnership wholly owned by the original transferor and/or the transferor's spouse or domestic partner or children of the transferor or the transferor's spouse or domestic partner, within three years of the original transfer to which this exemption applies, and the tax on the subsequent transfer has not been paid within sixty days of becoming due, excise taxes become due and payable on the original transfer as otherwise provided by law.

(q)(i) A transfer that for federal income tax purposes does not involve the recognition of gain or loss for entity formation, liquidation or dissolution, and reorganization, including but not limited to nonrecognition of gain or loss because of application of 26 U.S.C. Sec. 332, 337, 351, 368(a)(1), 721, or 731 of the internal revenue code of 1986, as amended.

(ii) However, the transfer described in (q)(i) of this subsection cannot be preceded or followed within a twelve-month period by another transfer or series of transfers, that, when combined with the otherwise exempt transfer or transfers described in (q)(i) of this subsection, results in the transfer of a controlling interest in the entity for valuable consideration, and in which one or more persons previously holding a controlling interest in the entity receive cash or property in exchange for any interest the person or persons acting in concert hold in the entity. This subsection (3)(q)(ii) does not apply to that part of the transfer involving property received that is the real property interest that the person or persons originally contributed to the entity or when one or more persons who did not contribute real property or belong to the entity at a time when real property

was purchased receive cash or personal property in exchange for that person or persons' interest in the entity. The real estate excise tax under this subsection (3)(q)(ii) is imposed upon the person or persons who previously held a controlling interest in the entity.

(r) A qualified sale of a manufactured/mobile home community, as defined in RCW 59.20.030(~~(, that takes place on or after June 12, 2008, but before December 31, 2018)~~).

(s)(i) A transfer of a qualified low-income housing development or controlling interest in a qualified low-income housing development, unless, due to noncompliance with federal statutory requirements, the seller is subject to recapture, in whole or in part, of its allocated federal low-income housing tax credits within the four years prior to the date of transfer.

(ii) For purposes of this subsection (3)(s), "qualified low-income housing development" means real property and improvements in respect to which the seller or, in the case of a transfer of a controlling interest, the owner or beneficial owner, was allocated federal low-income housing tax credits authorized under 26 U.S.C. Sec. 42 or successor statute, by the Washington state housing finance commission or successor state-authorized tax credit allocating agency.

(iii) This subsection (3)(s) does not apply to transfers of a qualified low-income housing development or controlling interest in a qualified low-income housing development occurring on or after July 1, 2035.

(iv) The Washington state housing finance commission, in consultation with the department, must gather data on: (A) The fiscal savings, if any, accruing to transferees as a result of the exemption provided in this subsection (3)(s); (B) the extent to which transferors of qualified low-income housing developments receive consideration, including any assumption of debt, as part of a transfer subject to the exemption provided in this subsection (3)(s); and (C) the continued use of the property for low-income housing. The Washington state housing finance commission must provide this information to the joint legislative audit and review committee. The committee must conduct a review of the tax preference created under this subsection (3)(s) in calendar year 2033, as required under chapter 43.136 RCW.

(t)(i) A qualified transfer of residential property by a legal representative of a person with developmental disabilities to a qualified entity subject to the following conditions:

(A) The adult child with developmental disabilities of the transferor of the residential property must be allowed to reside in the residence or successor property so long as the placement is safe and appropriate as determined by the department of social and health services;

(B) The title to the residential property is conveyed without the receipt of consideration by the legal representative of a person with developmental disabilities to a qualified entity;

(C) The residential property must have no more than four living units located on it; and

(D) The residential property transferred must remain in continued use for fifty years by the qualified entity as supported living for persons with developmental disabilities by the qualified entity or successor entity. If the qualified entity sells or otherwise conveys ownership of the residential property the proceeds of the sale or conveyance must be used to acquire similar

residential property and such similar residential property must be considered the successor for continued use. The property will not be considered in continued use if the department of social and health services finds that the property has failed, after a reasonable time to remedy, to meet any health and safety statutory or regulatory requirements. If the department of social and health services determines that the property fails to meet the requirements for continued use, the department of social and health services must notify the department and the real estate excise tax based on the value of the property at the time of the transfer into use as residential property for persons with developmental disabilities becomes immediately due and payable by the qualified entity. The tax due is not subject to penalties, fees, or interest under this title.

(ii) For the purposes of this subsection (3)(t) the definitions in RCW 71A.10.020 apply.

(iii) A "qualified entity" is:

(A) A nonprofit organization under Title 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue code of 1986, as amended, as of June 7, 2018, or a subsidiary under the same taxpayer identification number that provides residential supported living for persons with developmental disabilities; or

(B) A nonprofit adult family home, as defined in RCW 70.128.010, that exclusively serves persons with developmental disabilities.

(iv) In order to receive an exemption under this subsection (3)(t) an affidavit must be submitted by the transferor of the residential property and must include a copy of the transfer agreement and any other documentation as required by the department.

Sec. 11. RCW 84.36.560 and 2007 c 301 s 1 are each amended to read as follows:

(1) The real and personal property owned or used by a nonprofit entity in providing rental housing for very low-income households or used to provide space for the placement of a mobile home for a very low-income household within a mobile home park is exempt from taxation if:

(a) The benefit of the exemption inures to the nonprofit entity;

(b) At least seventy-five percent of the occupied dwelling units in the rental housing or lots in a mobile home park are occupied by a very low-income household; and

(c) The rental housing or lots in a mobile home park were insured, financed, or assisted in whole or in part through one or more of the following sources:

(i) A federal or state housing program administered by the department of ~~((community, trade, and economic development))~~ commerce;

(ii) A federal housing program administered by a city or county government;

(iii) An affordable housing levy authorized under RCW 84.52.105; ~~((or))~~

(iv) The surcharges authorized by RCW 36.22.178 and 36.22.179 and any of the surcharges authorized in chapter 43.185C RCW; or

(v) The Washington state housing finance commission, provided that the financing is for a mobile home park cooperative or a manufactured housing cooperative, as defined in RCW 59.20.030.

(2) If less than seventy-five percent of the occupied dwelling units within the rental housing or lots in the mobile home park are occupied by very low-income households, the rental housing or mobile home park is eligible for a

partial exemption on the real property and a total exemption of the housing's or park's personal property as follows:

(a) A partial exemption (~~((shall be))~~ is) allowed for each dwelling unit in the rental housing or for each lot in a mobile home park occupied by a very low-income household.

(b) The amount of exemption (~~((shall))~~ must) be calculated by multiplying the assessed value of the property reasonably necessary to provide the rental housing or to operate the mobile home park by a fraction. The numerator of the fraction is the number of dwelling units or lots occupied by very low-income households as of December 31st of the first assessment year in which the rental housing or mobile home park becomes operational or on January 1st of each subsequent assessment year for which the exemption is claimed. The denominator of the fraction is the total number of dwelling units or lots occupied as of December 31st of the first assessment year the rental housing or mobile home park becomes operational and January 1st of each subsequent assessment year for which exemption is claimed.

(3) If a currently exempt rental housing unit in a facility with ten units or fewer or mobile home lot in a mobile home park with ten lots or fewer was occupied by a very low-income household at the time the exemption was granted and the income of the household subsequently rises above fifty percent of the median income but remains at or below eighty percent of the median income, the exemption will continue as long as the housing continues to meet the certification requirements of a very low-income housing program listed in subsection (1) of this section. For purposes of this section, median income, as most recently determined by the federal department of housing and urban development for the county in which the rental housing or mobile home park is located, shall be adjusted for family size. However, if a dwelling unit or a lot becomes vacant and is subsequently rented, the income of the new household must be at or below fifty percent of the median income adjusted for family size as most recently determined by the federal department of housing and urban development for the county in which the rental housing or mobile home park is located to remain exempt from property tax.

(4) If at the time of initial application the property is unoccupied, or subsequent to the initial application the property is unoccupied because of renovations, and the property is not currently being used for the exempt purpose authorized by this section but will be used for the exempt purpose within two assessment years, the property shall be eligible for a property tax exemption for the assessment year in which the claim for exemption is submitted under the following conditions:

(a) A commitment for financing to acquire, construct, renovate, or otherwise convert the property to provide housing for very low-income households has been obtained, in whole or in part, by the nonprofit entity claiming the exemption from one or more of the sources listed in subsection (1)(c) of this section;

(b) The nonprofit entity has manifested its intent in writing to construct, remodel, or otherwise convert the property to housing for very low-income households; and

(c) Only the portion of property that will be used to provide housing or lots for very low-income households shall be exempt under this section.

(5) To be exempt under this section, the property must be used exclusively for the purposes for which the exemption is granted, except as provided in RCW 84.36.805.

(6) The nonprofit entity qualifying for a property tax exemption under this section may agree to make payments to the city, county, or other political subdivision for improvements, services, and facilities furnished by the city, county, or political subdivision for the benefit of the rental housing. However, these payments shall not exceed the amount last levied as the annual tax of the city, county, or political subdivision upon the property prior to exemption.

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

(a) "Group home" means a single-family dwelling financed, in whole or in part, by one or more of the sources listed in subsection (1)(c) of this section. The residents of a group home shall not be considered to jointly constitute a household, but each resident shall be considered to be a separate household occupying a separate dwelling unit. The individual incomes of the residents shall not be aggregated for purposes of this exemption;

(b) "Mobile home lot" or "mobile home park" means the same as these terms are defined in RCW 59.20.030;

(c) "Occupied dwelling unit" means a living unit that is occupied by an individual or household as of December 31st of the first assessment year the rental housing becomes operational or is occupied by an individual or household on January 1st of each subsequent assessment year in which the claim for exemption is submitted. If the housing facility is comprised of three or fewer dwelling units and there are any unoccupied units on January 1st, the department shall base the amount of the exemption upon the number of occupied dwelling units as of December 31st of the first assessment year the rental housing becomes operational and on May 1st of each subsequent assessment year in which the claim for exemption is submitted;

(d) "Rental housing" means a residential housing facility or group home that is occupied but not owned by very low-income households;

(e) "Very low-income household" means a single person, family, or unrelated persons living together whose income is at or below fifty percent of the median income adjusted for family size as most recently determined by the federal department of housing and urban development for the county in which the rental housing is located and in effect as of January 1st of the year the application for exemption is submitted; and

(f) "Nonprofit entity" means a:

(i) Nonprofit as defined in RCW 84.36.800 that is exempt from income tax under section 501(c) of the federal internal revenue code;

(ii) Limited partnership where a nonprofit as defined in RCW 84.36.800 that is exempt from income tax under section 501(c) of the federal internal revenue code, a public corporation established under RCW 35.21.660, 35.21.670, or 35.21.730, a housing authority created under RCW 35.82.030 or 35.82.300, or a housing authority meeting the definition in RCW 35.82.210(2)(a) is a general partner; ~~((or))~~

(iii) Limited liability company where a nonprofit as defined in RCW 84.36.800 that is exempt from income tax under section 501(c) of the federal internal revenue code, a public corporation established under RCW 35.21.660,

35.21.670, or 35.21.730, a housing authority established under RCW 35.82.030 or 35.82.300, or a housing authority meeting the definition in RCW 35.82.210(2)(a) is a managing member; or

(iv) Mobile home park cooperative or a manufactured housing cooperative, as defined in RCW 59.20.030.

NEW SECTION. Sec. 12. The provisions of RCW 82.32.805 and 82.32.808 do not apply to section 11 of this act.

NEW SECTION. Sec. 13. The legislature finds that manufactured housing communities provide significant opportunity for affordable housing, but at the same time, vacancy rates in established communities are very low. Siting a replacement manufactured home on a manufactured housing community lot is basic to a landlord's right to continue in business and to provide opportunity for housing that is needed. Imposing undue burdens and new restrictions for the siting of replacement manufactured homes may deem lots unusable as home sites thus, exacerbating the low vacancy rates and reducing affordable housing opportunities. The legislature intends to provide protection for manufactured housing communities by not prohibiting the siting of a manufactured/mobile home on an existing lot based solely on lack of compliance with the existing separation and setback requirements that regulate distance between such homes.

Sec. 14. RCW 35.21.684 and 2009 c 79 s 1 are each amended to read as follows:

(1) A city or town may not adopt an ordinance that has the effect, directly or indirectly, of discriminating against consumers' choices in the placement or use of a home in such a manner that is not equally applicable to all homes. Homes built to 42 U.S.C. Sec. 5401-5403 standards (as amended in 2000) must be regulated for the purposes of siting in the same manner as site built homes, factory built homes, or homes built to any other state construction or local design standard. However, except as provided in subsection (2) of this section, any city or town may require that:

(a) A manufactured home be a new manufactured home;

(b) The manufactured home be set upon a permanent foundation, as specified by the manufacturer, and that the space from the bottom of the home to the ground be enclosed by concrete or an approved concrete product which can be either load bearing or decorative;

(c) The manufactured home comply with all local design standards applicable to all other homes within the neighborhood in which the manufactured home is to be located;

(d) The home is thermally equivalent to the state energy code; and

(e) The manufactured home otherwise meets all other requirements for a designated manufactured home as defined in RCW 35.63.160.

A city with a population of one hundred thirty-five thousand or more may choose to designate its building official as the person responsible for issuing all permits, including department of labor and industries permits issued under chapter 43.22 RCW in accordance with an interlocal agreement under chapter 39.34 RCW, for alterations, remodeling, or expansion of manufactured housing located within the city limits under this section.

(2)(a) A city or town may not adopt an ordinance that has the effect, directly or indirectly, of restricting the location of manufactured/mobile homes in

manufactured/mobile home communities that were legally in existence before June 12, 2008, based exclusively on the age or dimensions of the manufactured/mobile home. ((This does not preclude))

(b) A city or town may not prohibit the siting of a manufactured/mobile home on an existing lot based solely on lack of compliance with existing separation and setback requirements that regulate the distance between homes.

(c) A city or town is not precluded by (a) or (b) of this subsection from restricting the location of a manufactured/mobile home in manufactured/mobile home communities for any other reason including, but not limited to, failure to comply with fire, safety, or other local ordinances or state laws related to manufactured/mobile homes.

(3) Except as provided under subsection (4) of this section, a city or town may not adopt an ordinance that has the effect, directly or indirectly, of preventing the entry or requiring the removal of a recreational vehicle used as a primary residence in manufactured/mobile home communities.

(4) Subsection (3) of this section does not apply to any local ordinance or state law that:

(a) Imposes fire, safety, or other regulations related to recreational vehicles;

(b) Requires utility hookups in manufactured/mobile home communities to meet state or federal building code standards for manufactured/mobile home communities; or

(c) Includes both of the following provisions:

(i) A recreational vehicle must contain at least one internal toilet and at least one internal shower; and

(ii) If the requirement in (c)(i) of this subsection is not met, a manufactured/mobile home community must provide toilets and showers.

(5) For the purposes of this section, "manufactured/mobile home community" has the same meaning as in RCW 59.20.030.

(6) This section does not override any legally recorded covenants or deed restrictions of record.

(7) This section does not affect the authority granted under chapter 43.22 RCW.

Sec. 15. RCW 35A.21.312 and 2009 c 79 s 2 are each amended to read as follows:

(1) A code city may not adopt an ordinance that has the effect, directly or indirectly, of discriminating against consumers' choices in the placement or use of a home in such a manner that is not equally applicable to all homes. Homes built to 42 U.S.C. Sec. 5401-5403 standards (as amended in 2000) must be regulated for the purposes of siting in the same manner as site built homes, factory built homes, or homes built to any other state construction or local design standard. However, except as provided in subsection (2) of this section, any code city may require that:

(a) A manufactured home be a new manufactured home;

(b) The manufactured home be set upon a permanent foundation, as specified by the manufacturer, and that the space from the bottom of the home to the ground be enclosed by concrete or an approved concrete product which can be either load bearing or decorative;

(c) The manufactured home comply with all local design standards applicable to all other homes within the neighborhood in which the manufactured home is to be located;

(d) The home is thermally equivalent to the state energy code; and

(e) The manufactured home otherwise meets all other requirements for a designated manufactured home as defined in RCW 35.63.160.

A code city with a population of one hundred thirty-five thousand or more may choose to designate its building official as the person responsible for issuing all permits, including department of labor and industries permits issued under chapter 43.22 RCW in accordance with an interlocal agreement under chapter 39.34 RCW, for alterations, remodeling, or expansion of manufactured housing located within the city limits under this section.

(2)(a) A code city may not adopt an ordinance that has the effect, directly or indirectly, of restricting the location of manufactured/mobile homes in manufactured/mobile home communities that were legally in existence before June 12, 2008, based exclusively on the age or dimensions of the manufactured/mobile home. ~~((This does not preclude))~~

(b) A code city may not prohibit the siting of a manufactured/mobile home on an existing lot based solely on lack of compliance with existing separation and setback requirements that regulate the distance between homes.

(c) A code city is not precluded by (a) or (b) of this subsection from restricting the location of a manufactured/mobile home in manufactured/mobile home communities for any other reason including, but not limited to, failure to comply with fire, safety, or other local ordinances or state laws related to manufactured/mobile homes.

(3) Except as provided under subsection (4) of this section, a code city may not adopt an ordinance that has the effect, directly or indirectly, of preventing the entry or requiring the removal of a recreational vehicle used as a primary residence in manufactured/mobile home communities.

(4) Subsection (3) of this section does not apply to any local ordinance or state law that:

(a) Imposes fire, safety, or other regulations related to recreational vehicles;

(b) Requires utility hookups in manufactured/mobile home communities to meet state or federal building code standards for manufactured/mobile home communities or recreational vehicle parks; or

(c) Includes both of the following provisions:

(i) A recreational vehicle must contain at least one internal toilet and at least one internal shower; and

(ii) If the requirement in (c)(i) of this subsection is not met, a manufactured/mobile home community must provide toilets and showers.

(5) For the purposes of this section, "manufactured/mobile home community" has the same meaning as in RCW 59.20.030.

(6) This section does not override any legally recorded covenants or deed restrictions of record.

(7) This section does not affect the authority granted under chapter 43.22 RCW.

Sec. 16. RCW 36.01.225 and 2009 c 79 s 3 are each amended to read as follows:

(1) A county may not adopt an ordinance that has the effect, directly or indirectly, of discriminating against consumers' choices in the placement or use of a home in such a manner that is not equally applicable to all homes. Homes built to 42 U.S.C. Sec. 5401-5403 standards (as amended in 2000) must be regulated for the purposes of siting in the same manner as site built homes, factory built homes, or homes built to any other state construction or local design standard. However, except as provided in subsection (2) of this section, any county may require that:

(a) A manufactured home be a new manufactured home;

(b) The manufactured home be set upon a permanent foundation, as specified by the manufacturer, and that the space from the bottom of the home to the ground be enclosed by concrete or an approved concrete product which can be either load bearing or decorative;

(c) The manufactured home comply with all local design standards applicable to all other homes within the neighborhood in which the manufactured home is to be located;

(d) The home is thermally equivalent to the state energy code; and

(e) The manufactured home otherwise meets all other requirements for a designated manufactured home as defined in RCW 35.63.160.

(2)(a) A county may not adopt an ordinance that has the effect, directly or indirectly, of restricting the location of manufactured/mobile homes in manufactured/mobile home communities, as defined in RCW 59.20.030, which were legally in existence before June 12, 2008, based exclusively on the age or dimensions of the manufactured/mobile home. ~~((This does not preclude))~~

(b) A county may not prohibit the siting of a manufactured/mobile home on an existing lot based solely on lack of compliance with existing separation and setback requirements that regulate the distance between homes.

(c) A county is not precluded by (a) or (b) of this subsection from restricting the location of a manufactured/mobile home in manufactured/mobile home communities for any other reason including, but not limited to, failure to comply with fire, safety, or other local ordinances or state laws related to manufactured/mobile homes.

(3) A county may not adopt an ordinance that has the effect, directly or indirectly, of preventing the entry or requiring the removal of a recreational vehicle used as a primary residence in manufactured/mobile home communities, as defined in RCW 59.20.030, unless the recreational vehicle fails to comply with the fire, safety, or other local ordinances or state laws related to recreational vehicles.

(4) This section does not override any legally recorded covenants or deed restrictions of record.

(5) This section does not affect the authority granted under chapter 43.22 RCW.

Sec. 17. RCW 59.20.060 and 2019 c ... (ESHB 1582) s 3 are each amended to read as follows:

(1) Any mobile home space tenancy regardless of the term, shall be based upon a written rental agreement, signed by the parties, which shall contain:

(a) The terms for the payment of rent, including time and place, and any additional charges to be paid by the tenant. Additional charges that occur less frequently than monthly shall be itemized in a billing to the tenant;

- (b) Reasonable rules for guest parking which shall be clearly stated;
- (c) The rules and regulations of the park;
- (d) The name and address of the person who is the landlord, and if such person does not reside in the state there shall also be designated by name and address a person who resides in the county where the mobile home park is located who is authorized to act as agent for the purposes of service of notices and process. If no designation is made of a person to act as agent, then the person to whom rental payments are to be made shall be considered the agent;
- (e) The name and address of any party who has a secured interest in the mobile home, manufactured home, or park model;
- (f) A forwarding address of the tenant or the name and address of a person who would likely know the whereabouts of the tenant in the event of an emergency or an abandonment of the mobile home, manufactured home, or park model;
- (g)(i) A covenant by the landlord that, except for acts or events beyond the control of the landlord, the mobile home park will not be converted to a land use that will prevent the space that is the subject of the lease from continuing to be used for its intended use for a period of three years after the beginning of the term of the rental agreement;
- (ii) A rental agreement may, in the alternative, contain a statement that: "The park may be sold or otherwise transferred at any time with the result that subsequent owners may close the mobile home park, or that the landlord may close the park at any time after the required closure notice as provided in RCW 59.20.080." The covenant or statement required by this subsection must: (A) Appear in print that is in bold face and is larger than the other text of the rental agreement; (B) be set off by means of a box, blank space, or comparable visual device; and (C) be located directly above the tenant's signature on the rental agreement;
- (h) A copy of a closure notice, as required in RCW 59.20.080, if such notice is in effect;
- (i) The terms and conditions under which any deposit or portion thereof may be withheld by the landlord upon termination of the rental agreement if any moneys are paid to the landlord by the tenant as a deposit or as security for performance of the tenant's obligations in a rental agreement;
- (j) A listing of the utilities, services, and facilities which will be available to the tenant during the tenancy and the nature of the fees, if any, to be charged together with a statement that, in the event any utilities are changed to be charged independent of the rent during the term of the rental agreement, the landlord agrees to decrease the amount of the rent charged proportionately;
- (k) A written description, picture, plan, or map of the boundaries of a mobile home space sufficient to inform the tenant of the exact location of the tenant's space in relation to other tenants' spaces;
- (l) A written description, picture, plan, or map of the location of the tenant's responsibility for utility hook-ups, consistent with RCW 59.20.130(6);
- (m) A statement of the current zoning of the land on which the mobile home park is located;
- (n) A statement of the expiration date of any conditional use, temporary use, or other land use permit subject to a fixed expiration date that is necessary for the continued use of the land as a mobile home park; and

(o) A written statement containing accurate historical information regarding the past five years' rental amount charged for the lot or space.

(2) Any rental agreement executed between the landlord and tenant shall not contain any provision:

(a) Which allows the landlord to charge a fee for guest parking unless a violation of the rules for guest parking occurs: PROVIDED, That a fee may be charged for guest parking which covers an extended period of time as defined in the rental agreement;

(b) Which authorizes the towing or impounding of a vehicle except upon notice to the owner thereof or the tenant whose guest is the owner of the vehicle;

(c) Which allows the landlord to alter the due date for rent payment or increase the rent: (i) During the term of the rental agreement if the term is less than two years, or (ii) more frequently than annually if the initial term is for two years or more: PROVIDED, That a rental agreement may include an escalation clause for a pro rata share of any increase in the mobile home park's real property taxes or utility assessments or charges, over the base taxes or utility assessments or charges of the year in which the rental agreement took effect, if the clause also provides for a pro rata reduction in rent or other charges in the event of a reduction in real property taxes or utility assessments or charges, below the base year: PROVIDED FURTHER, That a rental agreement for a term exceeding two years may provide for annual increases in rent in specified amounts or by a formula specified in such agreement. Any rent increase authorized under this subsection (2)(c) that occurs within the closure notice period pursuant to RCW 59.20.080(1)(e) may not be more than one percentage point above the United States consumer price index for all urban consumers, housing component, published by the United States bureau of labor statistics in the periodical "Monthly Labor Review and Handbook of Labor Statistics" as established annually by the department of commerce;

(d) By which the tenant agrees to waive or forego rights or remedies under this chapter;

(e) Allowing the landlord to charge an "entrance fee" or an "exit fee." However, an entrance fee may be charged as part of a continuing care contract as defined in RCW 70.38.025;

(f) Which allows the landlord to charge a fee for guests: PROVIDED, That a landlord may establish rules charging for guests who remain on the premises for more than fifteen days in any sixty-day period;

(g) By which the tenant agrees to waive or forego homestead rights provided by chapter 6.13 RCW. This subsection shall not prohibit such waiver after a default in rent so long as such waiver is in writing signed by the husband and wife or by an unmarried claimant and in consideration of the landlord's agreement not to terminate the tenancy for a period of time specified in the waiver if the landlord would be otherwise entitled to terminate the tenancy under this chapter; or

(h) By which, at the time the rental agreement is entered into, the landlord and tenant agree to the selection of a particular arbitrator.

(3) Any provision prohibited under this section that is included in a rental agreement is unenforceable.

Sec. 18. RCW 59.20.--- and 2019 c ... (ESHB 1582) s 9 are each amended to read as follows:

(1) A court may order an unlawful detainer action to be of limited dissemination for one or more persons if: (a) The court finds that the plaintiff's case was sufficiently without basis in fact or law; (b) the tenancy was reinstated by the court; or (c) other good cause exists for limiting dissemination of the unlawful detainer action (~~(in accordance with court rule GR 15)~~).

(2) An order to limit dissemination of an unlawful detainer action must be in writing.

(3) When an order for limited dissemination of an unlawful detainer action has been entered with respect to a person, a tenant screening service provider must not: (a) Disclose the existence of that unlawful detainer action in a tenant screening report pertaining to the person for whom dissemination has been limited, or (b) use the unlawful detainer action as a factor in determining any score or recommendation to be included in a tenant screening report pertaining to the person for whom dissemination has been limited.

NEW SECTION. Sec. 19. Sections 17 and 18 of this act take effect only if chapter ... (Engrossed Substitute House Bill No. 1582), Laws of 2019 is enacted by August 1, 2019.

NEW SECTION. Sec. 20. If specific funding for the purposes of section 11 of this act, referencing section 11 of this act by bill or chapter number and section number, is not provided by June 30, 2019, in the omnibus appropriations act, section 11 of this act is null and void.

NEW SECTION. Sec. 21. Section 10 of this act expires January 1, 2030.

Passed by the Senate April 28, 2019.

Passed by the House April 27, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 391

[Senate Bill 5227]

VOTER REGISTRATION DEADLINES

AN ACT Relating to deadlines for receipt of voter registrations by election officials; amending RCW 29A.08.020, 29A.08.140, 29A.08.330, and 29A.08.359; reenacting and amending RCW 29A.08.110 and 29A.08.410; and adding new sections to chapter 29A.04 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 29A.04 RCW to read as follows:

"Election official" when pertaining to voter registration includes any staff member of the office of the secretary of state or a staff member of the county auditor's office.

NEW SECTION. Sec. 2. A new section is added to chapter 29A.04 RCW to read as follows:

"By mail" means delivery of a completed original voter registration application by mail to a county auditor or the office of the secretary of state.

Sec. 3. RCW 29A.08.020 and 2013 c 11 s 12 are each amended to read as follows:

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

~~(1) "By mail" means delivery of a completed original voter registration application by mail to a county auditor or the office of the secretary of state.~~

~~(2) For)) Unless the context clearly requires otherwise, for voter registration applicants, (~~"date of mailing" means the date of the postal cancellation on the voter registration application. This date will also be used as the date of application for the purpose of~~) the date the voter registration application is received by an election official will be used as the registration date for the purpose of registering and meeting the registration cutoff deadline. ~~((If the postal cancellation date is illegible then the date of receipt by the elections official is considered the date of application. If an application is received by a county auditor or the office of the secretary of state by the close of business on the fifth day after the cutoff date for voter registration and the postal cancellation date is illegible, the application will be considered to have arrived by the cutoff date for voter registration.))~~~~

Sec. 4. RCW 29A.08.140 and 2018 c 112 s 1 are each amended to read as follows:

(1) In order to vote in any primary, special election, or general election, a person who is not registered to vote in Washington must:

(a) Submit a registration application that is received by an election official no later than eight days before the day of the primary, special election, or general election. For purposes of this subsection (1)(a), "received" means: (i) Being physically received by an election official by the close of business of the required deadline; or (ii) for applications received online or electronically, by midnight, of the required deadline; or

(b) Register in person at the county auditor's office, the division of elections if in a separate city from the county auditor's office, a voting center, or other location designated by the county auditor in his or her county of residence no later than 8:00 p.m. on the day of the primary, special election, or general election.

(2) In order to change a residence address for voting in any primary, special election, or general election, a person who is already registered to vote in Washington may update his or her registration by:

(a) Submitting an address change using a registration application or making notification via any non-in-person method that is received by election officials no later than eight days before the day of the primary, special election, or general election; or

(b) Appearing in person, at the county auditor's office, the division of elections if in a separate city from the county auditor's office, a voting center, or other location designated by the county auditor in his or her county of residence, no later than 8:00 p.m. on the day of the primary, special election, or general election to be in effect for that primary, special election, or general election.

(c) A registered voter who fails to ~~((transfer))~~ update his or her residential address by this deadline may vote according to his or her previous registration address.

(3) To register or update a voting address in person at the county auditor's office, a voting center, or other location designated by the county auditor, a person must appear in person at the county auditor's office, a voting center, or

other location designated by the county auditor in the county in which the person resides at a time when the facility is open and complete the voter registration application by providing the information required by RCW 29A.08.010.

Sec. 5. RCW 29A.08.110 and 2018 c 112 s 2, 2018 c 110 s 101, and 2018 c 109 s 4 are each reenacted and amended to read as follows:

(1) For persons registering under RCW 29A.08.120, 29A.08.123, 29A.08.170, 29A.08.330, ~~((and)) 29A.08.340, 29A.08.362, and 29A.08.365~~, an application is considered complete only if it contains the information required by RCW 29A.08.010. The applicant is considered to be registered to vote as of the original date of ~~((mailing, date of delivery))~~ receipt, or when the person will be at least eighteen years old by the next election, whichever is applicable. As soon as practicable, the auditor shall record the appropriate precinct identification, taxing district identification, and date of registration on the voter's record in the state voter registration list. The secretary of state shall, pursuant to RCW 29A.04.611, establish procedures to enable new or updated voter registrations to be recorded on an expedited basis. Any mailing address provided shall be used only for mail delivery purposes, and not for precinct assignment or residency purposes. Within sixty days after the receipt of an application or transfer, the auditor shall send to the applicant, by first-class nonforwardable mail, an acknowledgment notice identifying the registrant's precinct and containing such other information as may be required by the secretary of state. The postal service shall be instructed not to forward a voter registration card to any other address and to return to the auditor any card which is not deliverable.

(2) If an application is not complete, the auditor shall promptly mail a verification notice to the applicant. The verification notice shall require the applicant to provide the missing information. If the applicant provides the required information within forty-five days, the applicant shall be registered to vote as of the original date of application. The applicant shall not be placed on the official list of registered voters until the application is complete.

(3) Once a future voter is no longer in pending status, as described in RCW 29A.08.615, his or her application to sign up to register to vote is no longer pending and is subject to this section.

Sec. 6. RCW 29A.08.330 and 2018 c 109 s 18 are each amended to read as follows:

(1) The secretary of state shall prescribe the method of voter registration for each designated agency. The agency shall use either the state voter registration by mail form with a separate declination form for the applicant to indicate that he or she declines to register at this time, or the agency may use a separate form approved for use by the secretary of state.

(2) The person providing service at the agency shall offer voter registration services to every client whenever he or she applies for service or assistance and with each renewal, recertification, or change of address. The person providing service shall give the applicant the same level of assistance with the voter registration application as is offered to fill out the agency's forms and documents, including information about age and citizenship requirements for voter registration.

(3) The person providing service at the agency shall determine if the prospective applicant wants to register to vote or update his or her voter registration by asking the following question:

"Do you want to register or sign up to vote or update your voter registration?"

If the applicant chooses to register, sign up, or update a registration, the service agent shall ask the following:

(a) "Are you a United States citizen?"

(b) "Are you at least eighteen years old or are you at least sixteen years old and will you vote only after you turn eighteen?"

If the applicant answers in the affirmative to both questions, the agent shall then provide the applicant with a voter registration form and instructions and shall record that the applicant has requested to sign up to vote, register to vote, or update a voter registration. If the applicant answers in the negative to either question, the agent shall not provide the applicant with a voter registration application.

(4) If an agency uses a computerized application process, it may, in consultation with the secretary of state, develop methods to capture simultaneously the information required for voter registration during a person's computerized application process.

(5) Each designated agency shall transmit the applications to the secretary of state or appropriate county auditor within three business days and must be received by the election official by the required voter registration deadline.

(6) Information that is otherwise disclosable under this chapter cannot be disclosed on the future voter until the person reaches eighteen years of age, except for the purpose of processing and delivering ballots.

Sec. 7. RCW 29A.08.410 and 2018 c 112 s 3 and 2018 c 110 s 204 are each reenacted and amended to read as follows:

A registered voter who changes his or her residence from one address to another within the same county may transfer his or her registration to the new address in one of the following ways:

(1) Sending the county auditor a request stating both the voter's present address and the address from which the voter was last registered received by an election official eight days prior to a primary or election;

(2) Appearing in person before the county auditor, or at a voting center or other location designated by the county auditor, and making such a request up until 8:00 p.m. on the day of the primary or election;

(3) Telephoning or emailing the county auditor to transfer the registration by eight days prior to a primary or election;

(4) Submitting a voter registration application received by an election official by eight days prior to a primary or election;

(5) Submitting information to the department of licensing and received by an election official by eight days prior to a primary or election;

(6) Submitting ~~((information to))~~ voter registration information through the health benefit exchange and received by an election official by eight days prior to a primary or election; or

(7) Submitting information to an agency designated under RCW 29A.08.365 and received by an election official by eight days prior to a primary or election once automatic voter registration is implemented at the agency.

Sec. 8. RCW 29A.08.359 and 2018 c 110 s 104 are each amended to read as follows:

(1)(a) For persons age eighteen years and older registering under RCW 29A.08.355, an application is considered complete only if it contains the information required by RCW 29A.08.010 and other information as required by the secretary of state. The applicant is considered to be registered to vote as of the original date of issuance or renewal or date of change of address of an enhanced driver's license or identicard issued under RCW 46.20.202 or change of address for an existing enhanced driver's license or identicard pursuant to RCW 46.20.205. The information must be transmitted in an expedited manner and must be received by an election official by the required voter registration deadline. The auditor shall record the appropriate precinct identification, taxing district identification, and date of registration on the voter's record in the state voter registration list. Any mailing address provided shall be used only for mail delivery purposes, and not for precinct assignment or residency purposes. Within sixty days after the receipt of an application or transfer, the auditor shall send to the applicant, by first-class nonforwardable mail, an acknowledgment notice identifying the registrant's precinct and containing such other information as may be required by the secretary of state. The United States postal service shall be instructed not to forward a voter registration card to any other address and to return to the auditor any card which is not deliverable.

(b) An auditor may use other means to communicate with potential and registered voters such as, but not limited to, email, phone, or text messaging. The alternate form of communication must not be in lieu of the first-class mail requirements. The auditor shall act in compliance with all voter notification processes established in federal law.

(2) If an application is not complete, the auditor shall promptly mail a verification notice to the applicant. The verification notice must require the applicant to provide the missing information. If the applicant provides the required information within forty-five days, the applicant must be registered to vote. The applicant must not be placed on the official list of registered voters until the application is complete.

(3) If the prospective registration applicant declines to register to vote or the information provided by the department of licensing does not indicate citizenship, the information must not be included on the list of registered voters.

(4) The department of licensing is prohibited from sharing data files used by the secretary of state to certify voters registered through the automated process outlined in RCW 29A.08.355 with any federal agency, or state agency other than the secretary of state. Personal information supplied for the purposes of obtaining a driver's license or identicard is exempt from public inspection pursuant to RCW 42.56.230.

Passed by the Senate April 22, 2019.

Passed by the House April 16, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 392

[Engrossed Substitute Senate Bill 5258]

ISOLATED WORKERS--SEXUAL HARASSMENT AND ASSAULT

AN ACT Relating to preventing the sexual harassment and sexual assault of certain isolated workers; and adding a new section to chapter 49.60 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 49.60 RCW to read as follows:

(1) Every hotel, motel, retail, or security guard entity, or property services contractor, who employs an employee, must:

(a) Adopt a sexual harassment policy;

(b) Provide mandatory training to the employer's managers, supervisors, and employees to:

(i) Prevent sexual assault and sexual harassment in the workplace;

(ii) Prevent sexual discrimination in the workplace; and

(iii) Educate the employer's workforce regarding protection for employees who report violations of a state or federal law, rule, or regulation;

(c) Provide a list of resources for the employer's employees to utilize. At a minimum, the resources must include contact information of the equal employment opportunity commission, the Washington state human rights commission, and local advocacy groups focused on preventing sexual harassment and sexual assault; and

(d) Provide a panic button to each employee. The department must publish advice and guidance for employers with fifty or fewer employees relating to this subsection (1)(d). This subsection (1)(d) does not apply to contracted security guard companies licensed under chapter 18.170 RCW.

(2)(a) A property services contractor shall submit the following to the department on a form or in a manner determined by the department:

(i) The date of adoption of the sexual harassment policy required in subsection (1)(a) of this section;

(ii) The number of managers, supervisors, and employees trained as required by subsection (1)(b) of this section; and

(iii) The physical address of the work location or locations at which janitorial services are provided by workers of the property services contractor, and for each location: (A) The total number of workers or contractors of the property services contractor who perform janitorial services; and (B) the total hours worked.

(b) The department must make aggregate data submitted as required in this subsection (2) available upon request.

(c) The department may adopt rules to implement this subsection (2).

(3) For the purposes of this section:

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

(b) "Employee" means an individual who spends a majority of her or his working hours alone, or whose primary work responsibility involves working without another coworker present, and who is employed by an employer as a janitor, security guard, hotel or motel housekeeper, or room service attendant.

(c) "Employer" means any person, association, partnership, property services contractor, or public or private corporation, whether for-profit or not, who employs one or more persons.

(d) "Panic button" means an emergency contact device carried by an employee by which the employee may summon immediate on-scene assistance from another worker, a security guard, or a representative of the employer.

(e) "Property services contractor" means any person or entity that employs workers: (i) To perform labor for another person to provide commercial janitorial services; or (ii) on behalf of an employer to provide commercial janitorial services. "Property services contractor" does not mean the employment security department or individuals who perform labor under an agreement for exchanging their own labor or services with each other, provided the work is performed on land owned or leased by the individuals.

(f) "Security guard" means an individual who is principally employed as, or typically referred to as, a security officer or guard, regardless of whether the individual is employed by a private security company or a single employer or whether the individual is required to be licensed under chapter 18.170 RCW.

(4)(a) Hotels and motels with sixty or more rooms must meet the requirements of this section by January 1, 2020.

(b) All other employers identified in subsection (1) of this section must meet the requirements of this section by January 1, 2021.

Passed by the Senate April 26, 2019.

Passed by the House April 25, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 393

[Engrossed Substitute Senate Bill 5298]

MARIJUANA PRODUCT LABELING

AN ACT Relating to labeling of marijuana products; amending RCW 69.50.345, 69.50.346, 82.08.9998, and 82.12.9998; creating a new section; and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature intends to allow additional information on the labels and labeling of marijuana products to assist consumers in making purchases of these products.

The legislature declares that labels and labeling should not make any disease claim indicating the product is intended for use in the diagnosis, treatment, cure, or prevention of any disease.

The legislature recognizes that it may be useful for a label or labeling to describe the intended role of a marijuana product that contains nutrients or other dietary ingredients, including herbs and other botanicals, to maintain a structure or function of the body, or characterize the documented mechanism by which the product acts to maintain such structure or function, provided that the claim is truthful and not misleading.

Sec. 2. RCW 69.50.345 and 2018 c 43 s 2 are each amended to read as follows:

The state liquor and cannabis board, subject to the provisions of this chapter, must adopt rules that establish the procedures and criteria necessary to implement the following:

(1) Licensing of marijuana producers, marijuana processors, and marijuana retailers, including prescribing forms and establishing application, reinstatement, and renewal fees.

(a) Application forms for marijuana producers must request the applicant to state whether the applicant intends to produce marijuana for sale by marijuana retailers holding medical marijuana endorsements and the amount of or percentage of canopy the applicant intends to commit to growing plants determined by the department under RCW 69.50.375 to be of a THC concentration, CBD concentration, or THC to CBD ratio appropriate for marijuana concentrates, useable marijuana, or marijuana-infused products sold to qualifying patients.

(b) The state liquor and cannabis board must reconsider and increase limits on the amount of square feet permitted to be in production on July 24, 2015, and increase the percentage of production space for those marijuana producers who intend to grow plants for marijuana retailers holding medical marijuana endorsements if the marijuana producer designates the increased production space to plants determined by the department under RCW 69.50.375 to be of a THC concentration, CBD concentration, or THC to CBD ratio appropriate for marijuana concentrates, useable marijuana, or marijuana-infused products to be sold to qualifying patients. If current marijuana producers do not use all the increased production space, the state liquor and cannabis board may reopen the license period for new marijuana producer license applicants but only to those marijuana producers who agree to grow plants for marijuana retailers holding medical marijuana endorsements. Priority in licensing must be given to marijuana producer license applicants who have an application pending on July 24, 2015, but who are not yet licensed and then to new marijuana producer license applicants. After January 1, 2017, any reconsideration of the limits on the amount of square feet permitted to be in production to meet the medical needs of qualifying patients must consider information contained in the medical marijuana authorization database established in RCW 69.51A.230;

(2) Determining, in consultation with the office of financial management, the maximum number of retail outlets that may be licensed in each county, taking into consideration:

(a) Population distribution;

(b) Security and safety issues;

(c) The provision of adequate access to licensed sources of marijuana concentrates, useable marijuana, and marijuana-infused products to discourage purchases from the illegal market; and

(d) The number of retail outlets holding medical marijuana endorsements necessary to meet the medical needs of qualifying patients. The state liquor and cannabis board must reconsider and increase the maximum number of retail outlets it established before July 24, 2015, and allow for a new license application period and a greater number of retail outlets to be permitted in order to accommodate the medical needs of qualifying patients and designated providers. After January 1, 2017, any reconsideration of the maximum number of retail outlets needed to meet the medical needs of qualifying patients must

consider information contained in the medical marijuana authorization database established in RCW 69.51A.230;

(3) Determining the maximum quantity of marijuana a marijuana producer may have on the premises of a licensed location at any time without violating Washington state law;

(4) Determining the maximum quantities of marijuana, marijuana concentrates, useable marijuana, and marijuana-infused products a marijuana processor may have on the premises of a licensed location at any time without violating Washington state law;

(5) Determining the maximum quantities of marijuana concentrates, useable marijuana, and marijuana-infused products a marijuana retailer may have on the premises of a retail outlet at any time without violating Washington state law;

(6) In making the determinations required by this section, the state liquor and cannabis board shall take into consideration:

(a) Security and safety issues;

(b) The provision of adequate access to licensed sources of marijuana, marijuana concentrates, useable marijuana, and marijuana-infused products to discourage purchases from the illegal market; and

(c) Economies of scale, and their impact on licensees' ability to both comply with regulatory requirements and undercut illegal market prices;

(7) Determining the nature, form, and capacity of all containers to be used by licensees to contain marijuana, marijuana concentrates, useable marijuana, and marijuana-infused products, and their labeling requirements(~~(, to include but not be limited to:~~

~~(a) The business or trade name and Washington state unified business identifier number of the licensees that produced and processed the marijuana, marijuana concentrates, useable marijuana, or marijuana-infused product;~~

~~(b) Lot numbers of the marijuana, marijuana concentrates, useable marijuana, or marijuana-infused product;~~

~~(c) THC concentration and CBD concentration of the marijuana, marijuana concentrates, useable marijuana, or marijuana-infused product;~~

~~(d) Medically and scientifically accurate information about the health and safety risks posed by marijuana use; and~~

~~(e) Language required by RCW 69.04.480);~~

(8) In consultation with the department of agriculture and the department, establishing classes of marijuana, marijuana concentrates, useable marijuana, and marijuana-infused products according to grade, condition, cannabinoid profile, THC concentration, CBD concentration, or other qualitative measurements deemed appropriate by the state liquor and cannabis board;

(9) Establishing reasonable time, place, and manner restrictions and requirements regarding advertising of marijuana, marijuana concentrates, useable marijuana, and marijuana-infused products that are not inconsistent with the provisions of this chapter, taking into consideration:

(a) Federal laws relating to marijuana that are applicable within Washington state;

(b) Minimizing exposure of people under twenty-one years of age to the advertising;

(c) The inclusion of medically and scientifically accurate information about the health and safety risks posed by marijuana use in the advertising; and

(d) Ensuring that retail outlets with medical marijuana endorsements may advertise themselves as medical retail outlets;

(10) Specifying and regulating the time and periods when, and the manner, methods, and means by which, licensees shall transport and deliver marijuana, marijuana concentrates, useable marijuana, and marijuana-infused products within the state;

(11) In consultation with the department and the department of agriculture, establishing accreditation requirements for testing laboratories used by licensees to demonstrate compliance with standards adopted by the state liquor and cannabis board, and prescribing methods of producing, processing, and packaging marijuana, marijuana concentrates, useable marijuana, and marijuana-infused products; conditions of sanitation; and standards of ingredients, quality, and identity of marijuana, marijuana concentrates, useable marijuana, and marijuana-infused products produced, processed, packaged, or sold by licensees;

(12) Specifying procedures for identifying, seizing, confiscating, destroying, and donating to law enforcement for training purposes all marijuana, marijuana concentrates, useable marijuana, and marijuana-infused products produced, processed, packaged, labeled, or offered for sale in this state that do not conform in all respects to the standards prescribed by this chapter or the rules of the state liquor and cannabis board.

Sec. 3. RCW 69.50.346 and 2018 c 43 s 1 are each amended to read as follows:

(1) The label on a marijuana product container, including marijuana concentrates, useable marijuana, or marijuana-infused products, sold at retail(= (+)) must include:

(a) The business or trade name and Washington state unified business identifier number of the marijuana producer and processor ((that produced and processed the marijuana as required pursuant to RCW 69.50.345(7); and (2) Is);

(b) The lot numbers of the product;

(c) The THC concentration and CBD concentration of the product;

(d) Medically and scientifically accurate and reliable information about the health and safety risks posed by marijuana use;

(e) Language required by RCW 69.04.480; and

(f) A disclaimer, subject to the following conditions:

(i) Where there is one statement made under subsection (2) of this section, or as described in subsection (5)(b) of this section, the disclaimer must state "This statement has not been evaluated by the State of Washington. This product is not intended to diagnose, treat, cure, or prevent any disease."; and

(ii) Where there is more than one statement made under subsection (2) of this section, or as described in subsection (5)(b) of this section, the disclaimer must state "These statements have not been evaluated by the State of Washington. This product is not intended to diagnose, treat, cure, or prevent any disease."

(2)(a) For marijuana products that have been identified by the department in rules adopted under RCW 69.50.375(4) in chapter 246-70 WAC as being a compliant marijuana product, the product label and labeling may include a structure or function claim describing the intended role of a product to maintain

the structure or any function of the body, or characterize the documented mechanism by which the product acts to maintain such structure or function, provided that the claim is truthful and not misleading.

(b) A statement made under (a) of this subsection may not claim to diagnose, mitigate, treat, cure, or prevent any disease.

(3) The labels and labeling may not be:

(a) False or misleading; or

(b) Especially appealing to children.

(4) The label is not required to include the business or trade name or Washington state unified business identifier number of, or any information about, the marijuana retailer selling the marijuana product.

(5) A marijuana product is not in violation of any Washington state law or rule of the Washington state liquor and cannabis board solely because its label or labeling contains:

(a) Directions or recommended conditions of use; or

(b) A warning describing the psychoactive effects of the marijuana product, provided that the warning is truthful and not misleading.

(6) This section does not create any civil liability on the part of the state, the liquor and cannabis board, any other state agency, officer, employee, or agent based on a marijuana licensee's description of a structure or function claim or the product's intended role under subsection (2) of this section.

(7) Nothing in this section shall apply to a drug, as defined in RCW 69.50.101, or a pharmaceutical product approved by the United States food and drug administration.

Sec. 4. RCW 82.08.9998 and 2015 2nd sp.s. c 4 s 207 are each amended to read as follows:

(1) ~~((Beginning July 1, 2016,))~~ The tax levied by RCW 82.08.020 does not apply to:

(a) Sales of marijuana concentrates, useable marijuana, or marijuana-infused products, identified by the department of health in rules adopted under RCW ~~((69.50.375 to be beneficial for medical use))~~ 69.50.375(4) in chapter 246-70 WAC as being a compliant marijuana product, by marijuana retailers with medical marijuana endorsements to qualifying patients or designated providers who have been issued recognition cards;

(b) Sales of products containing THC with a THC concentration of 0.3 percent or less to qualifying patients or designated providers who have been issued recognition cards by marijuana retailers with medical marijuana endorsements;

(c) Sales of marijuana concentrates, useable marijuana, or marijuana-infused products, identified by the department of health under RCW 69.50.375 to have a low THC, high CBD ratio, and to be beneficial for medical use, by marijuana retailers with medical marijuana endorsements, to any person;

(d) Sales of topical, noningestible products containing THC with a THC concentration of 0.3 percent or less by health care professionals under RCW 69.51A.280;

(e)(i) Marijuana, marijuana concentrates, useable marijuana, marijuana-infused products, or products containing THC with a THC concentration of 0.3 percent or less produced by a cooperative and provided to its members; and

(ii) Any nonmonetary resources and labor contributed by an individual member of the cooperative in which the individual is a member. However, nothing in this subsection (1)(e) may be construed to exempt the individual members of a cooperative from the tax imposed in RCW 82.08.020 on any purchase of property or services contributed to the cooperative.

~~(2) ((From July 1, 2015, until July 1, 2016, the tax levied by RCW 82.08.020 does not apply to sales of marijuana, marijuana concentrates, useable marijuana, marijuana-infused products, or products containing THC with a THC concentration of 0.3 percent or less, by collective gardens under RCW 69.51A.085 to qualifying patients or designated providers, if such sales are in compliance with chapter 69.51A RCW.~~

~~(3))~~ Each seller making exempt sales under subsection (1) ~~((or (2)))~~ of this section must maintain information establishing eligibility for the exemption in the form and manner required by the department.

~~((4))~~ (3) The department must provide a separate tax reporting line for exemption amounts claimed under this section.

~~((5))~~ (4) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Cooperative" means a cooperative authorized by and operating in compliance with RCW 69.51A.250.

(b) "Marijuana retailer with a medical marijuana endorsement" means a marijuana retailer permitted under RCW 69.50.375 to sell marijuana for medical use to qualifying patients and designated providers.

(c) "Products containing THC with a THC concentration of 0.3 percent or less" means all products containing THC with a THC concentration not exceeding 0.3 percent and that, when used as intended, are inhalable, ingestible, or absorbable.

(d) "THC concentration," "marijuana," "marijuana concentrates," "useable marijuana," "marijuana retailer," and "marijuana-infused products" have the same meanings as provided in RCW 69.50.101 and the terms "qualifying patients," "designated providers," and "recognition card" have the same meaning as provided in RCW 69.51A.010.

Sec. 5. RCW 82.12.9998 and 2015 2nd sp.s. c 4 s 208 are each amended to read as follows:

~~(1) ((From July 1, 2015, until July 1, 2016, the provisions of this chapter do not apply to the use of marijuana, marijuana concentrates, useable marijuana, marijuana-infused products, or products containing THC with a THC concentration of 0.3 percent or less, by a collective garden under RCW 69.51A.085, and the qualifying patients or designated providers participating in the collective garden, if such use is in compliance with chapter 69.51A RCW.~~

~~(2) Beginning July 1, 2016,))~~ The provisions of this chapter do not apply to:

(a) The use of marijuana concentrates, useable marijuana, or marijuana-infused products, identified by the department of health in rules adopted under RCW ((69.50.375 to be beneficial for medical use)) 69.50.375(4) in chapter 246-70 WAC as being a compliant marijuana product, by qualifying patients or designated providers who have been issued recognition cards and have obtained such products from a marijuana retailer with a medical marijuana endorsement.

(b) The use of products containing THC with a THC concentration of 0.3 percent or less by qualifying patients or designated providers who have been

issued recognition cards and have obtained such products from a marijuana retailer with a medical marijuana endorsement.

(c)(i) Marijuana retailers with a medical marijuana endorsement with respect to:

(A) Marijuana concentrates, useable marijuana, or marijuana-infused products; or

(B) Products containing THC with a THC concentration of 0.3 percent or less;

(ii) The exemption in this subsection (~~((2))~~) (1)(c) applies only if such products are provided at no charge to a qualifying patient or designated provider who has been issued a recognition card. Each such retailer providing such products at no charge must maintain information establishing eligibility for this exemption in the form and manner required by the department.

(d) The use of marijuana concentrates, useable marijuana, or marijuana-infused products, identified by the department of health under RCW 69.50.375 to have a low THC, high CBD ratio, and to be beneficial for medical use, purchased from marijuana retailers with a medical marijuana endorsement.

(e) Health care professionals with respect to the use of products containing THC with a THC concentration of 0.3 percent or less provided at no charge by the health care professionals under RCW 69.51A.280. Each health care professional providing such products at no charge must maintain information establishing eligibility for this exemption in the form and manner required by the department.

(f) The use of topical, noningestible products containing THC with a THC concentration of 0.3 percent or less by qualifying patients when purchased from or provided at no charge by a health care professional under RCW 69.51A.280.

(g) The use of:

(i) Marijuana, marijuana concentrates, useable marijuana, marijuana-infused products, or products containing THC with a THC concentration of 0.3 percent or less, by a cooperative and its members, when produced by the cooperative; and

(ii) Any nonmonetary resources and labor by a cooperative when contributed by its members. However, nothing in this subsection (~~((2))~~) (1)(g) may be construed to exempt the individual members of a cooperative from the tax imposed in RCW 82.12.020 on the use of any property or services purchased by the member and contributed to the cooperative.

~~((3))~~ (2) The definitions in RCW 82.08.9998 apply to this section.

NEW SECTION. Sec. 6. This act takes effect January 1, 2020.

Passed by the Senate April 23, 2019.

Passed by the House April 16, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 394

[Engrossed Substitute Senate Bill 5318]

MARIJUANA LICENSEES--COMPLIANCE AND ENFORCEMENT

AN ACT Relating to reforming the compliance and enforcement provisions for marijuana licensees; amending RCW 69.50.342 and 69.50.331; reenacting and amending RCW 69.50.101 and

42.56.270; adding a new section to chapter 43.05 RCW; adding new sections to chapter 69.50 RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that:

(1) In the years since the creation of a legal and regulated marketplace for adult use of cannabis, the industry, stakeholders, and state agencies have collaborated to develop a safe, fully regulated marketplace.

(2) As the regulated marketplace has been developing, Washington residents with a strong entrepreneurial spirit have taken great financial and personal risk to become licensed and part of this nascent industry.

(3) It should not be surprising that mistakes have been made both by licensees and regulators, and that both have learned from these mistakes leading to a stronger, safer industry.

(4) While a strong focus on enforcement is an important component of the regulated marketplace, a strong focus on compliance and education is also critically necessary to assist licensees who strive for compliance and in order to allow the board to focus its enforcement priorities on those violations that directly harm public health and safety.

(5) The risk taking entrepreneurs who are trying to comply with board regulations should not face punitive consequences for mistakes made during this initial phase of the industry that did not pose a direct threat to public health and safety.

NEW SECTION. Sec. 2. A new section is added to chapter 43.05 RCW to read as follows:

(1) If, during an inspection or visit to a marijuana business licensed under chapter 69.50 RCW that is not a technical assistance visit, the liquor and cannabis board becomes aware of conditions that are not in compliance with applicable laws and rules enforced by the board and are not subject to civil penalties as provided for in section 3 of this act, the board may issue a notice of correction to the licensee that includes:

(a) A description of the condition that is not in compliance and the text of the specific section or subsection of the applicable state law or rule;

(b) A statement of what is required to achieve compliance;

(c) The date by which the board requires compliance to be achieved;

(d) Notice of the means to contact any technical assistance services provided by the board or others; and

(e) Notice of when, where, and to whom a request to extend the time to achieve compliance for good cause may be filed with the board.

(2) A notice of correction is not a formal enforcement action, is not subject to appeal, and is a public record.

(3) If the liquor and cannabis board issues a notice of correction, it may not issue a civil penalty for the violations identified in the notice of correction unless the licensee fails to comply with the notice.

NEW SECTION. Sec. 3. A new section is added to chapter 69.50 RCW to read as follows:

(1) The liquor and cannabis board may issue a civil penalty without first issuing a notice of correction if:

(a) The licensee has previously been subject to an enforcement action for the same or similar type of violation of the same statute or rule or has been given previous notice of the same or similar type of violation of the same statute or rule;

(b) Compliance is not achieved by the date established by the liquor and cannabis board in a previously issued notice of correction and if the board has responded to a request for review of the date by reaffirming the original date or establishing a new date; or

(c) The board can prove by a preponderance of the evidence:

(i) Diversion of marijuana product to the illicit market or sales across state lines;

(ii) Furnishing of marijuana product to minors;

(iii) Diversion of revenue to criminal enterprises, gangs, cartels, or parties not qualified to hold a marijuana license based on criminal history requirements;

(iv) The commission of nonmarijuana-related crimes; or

(v) Knowingly making a misrepresentation of fact to the board, an officer of the board, or an employee of the board related to conduct or an action that is, or is alleged to be, any of the violations identified in (c)(i) through (c)(iv) of this subsection (1).

(2) The liquor and cannabis board may adopt rules to implement this section and section 2 of this act.

Sec. 4. RCW 69.50.342 and 2015 2nd sp.s. c 4 s 1601 are each amended to read as follows:

(1) For the purpose of carrying into effect the provisions of chapter 3, Laws of 2013 according to their true intent or of supplying any deficiency therein, the state liquor and cannabis board may adopt rules not inconsistent with the spirit of chapter 3, Laws of 2013 as are deemed necessary or advisable. Without limiting the generality of the preceding sentence, the state liquor and cannabis board is empowered to adopt rules regarding the following:

(a) The equipment and management of retail outlets and premises where marijuana is produced or processed, and inspection of the retail outlets and premises where marijuana is produced or processed;

(b) The books and records to be created and maintained by licensees, the reports to be made thereon to the state liquor and cannabis board, and inspection of the books and records;

(c) Methods of producing, processing, and packaging marijuana, useable marijuana, marijuana concentrates, and marijuana-infused products; conditions of sanitation; safe handling requirements; approved pesticides and pesticide testing requirements; and standards of ingredients, quality, and identity of marijuana, useable marijuana, marijuana concentrates, and marijuana-infused products produced, processed, packaged, or sold by licensees;

(d) Security requirements for retail outlets and premises where marijuana is produced or processed, and safety protocols for licensees and their employees;

(e) Screening, hiring, training, and supervising employees of licensees;

(f) Retail outlet locations and hours of operation;

(g) Labeling requirements and restrictions on advertisement of marijuana, useable marijuana, marijuana concentrates, cannabis health and beauty aids, and marijuana-infused products for sale in retail outlets;

(h) Forms to be used for purposes of this chapter and chapter 69.51A RCW or the rules adopted to implement and enforce these chapters, the terms and conditions to be contained in licenses issued under this chapter and chapter 69.51A RCW, and the qualifications for receiving a license issued under this chapter and chapter 69.51A RCW, including a criminal history record information check. The state liquor and cannabis board may submit any criminal history record information check to the Washington state patrol and to the identification division of the federal bureau of investigation in order that these agencies may search their records for prior arrests and convictions of the individual or individuals who filled out the forms. The state liquor and cannabis board must require fingerprinting of any applicant whose criminal history record information check is submitted to the federal bureau of investigation;

(i) Application, reinstatement, and renewal fees for licenses issued under this chapter and chapter 69.51A RCW, and fees for anything done or permitted to be done under the rules adopted to implement and enforce this chapter and chapter 69.51A RCW;

(j) The manner of giving and serving notices required by this chapter and chapter 69.51A RCW or rules adopted to implement or enforce these chapters;

(k) Times and periods when, and the manner, methods, and means by which, licensees transport and deliver marijuana, marijuana concentrates, useable marijuana, and marijuana-infused products within the state;

(l) Identification, seizure, confiscation, destruction, or donation to law enforcement for training purposes of all marijuana, marijuana concentrates, useable marijuana, and marijuana-infused products produced, processed, sold, or offered for sale within this state which do not conform in all respects to the standards prescribed by this chapter or chapter 69.51A RCW or the rules adopted to implement and enforce these chapters.

(2) Rules adopted on retail outlets holding medical marijuana endorsements must be adopted in coordination and consultation with the department.

(3) The board must adopt rules to perfect and expand existing programs for compliance education for licensed marijuana businesses and their employees. The rules must include a voluntary compliance program created in consultation with licensed marijuana businesses and their employees. The voluntary compliance program must include recommendations on abating violations of this chapter and rules adopted under this chapter.

NEW SECTION. Sec. 5. A new section is added to chapter 69.50 RCW to read as follows:

(1) The board may grant a licensee's application for advice and consultation as provided in RCW 69.50.342(3) and visit the licensee's licensed premises in order to provide such advice and consultation. Advice and consultation services are limited to the matters specified in the request affecting the interpretation and applicability of the standards in this chapter to the conditions, structures, machines, equipment, apparatus, devices, materials, methods, means, and practices in the licensee's licensed premises. The board may provide for an alternative means of affording consultation and advice other than on-site consultation.

(2) The board must make recommendations on eliminating areas of concern disclosed within the scope of the on-site consultation. A visit to a licensee's licensed premises may not be considered an inspection or investigation under

this chapter. During the visit, the board may not issue notices or citations and may not assess civil penalties. However, if the on-site visit discloses a violation with a direct or immediate relationship to public safety and the violation is not corrected, the board may investigate.

(3) This section does not provide immunity to a licensee who has applied for consultative services from inspections or investigations conducted under this chapter or from any inspection conducted as a result of a complaint before, during, or after the provision of consultative services.

(4) This section does not require an inspection of a licensee's licensed premises that has been visited for consultative purposes. However, if the premises are inspected after a visit, the board may consider any information obtained during the consultation visit in determining the nature of an alleged violation and the amount of penalties to be assessed, if any.

(5) Rules adopted under section 6 of this act must provide that violations with a direct or immediate relationship to public safety discovered during the consultation visit must be corrected within a specified period of time and an inspection must be conducted at the end of that time period.

(6) All licensees requesting consultative services must be advised of this section and the rules adopted by the board relating to the voluntary compliance program. Valuable formulae or financial or proprietary commercial information records received during a consultative visit or while providing consultative services in accordance with this section are not subject to inspection pursuant to chapter 42.56 RCW.

(7) The board may adopt rules on the frequency, manner, and method of providing consultative services to licensees. Rules may include scheduling of consultative services and prioritizing requests for the services while maintaining the enforcement requirements of this chapter.

NEW SECTION. Sec. 6. A new section is added to chapter 69.50 RCW to read as follows:

(1) The board must prescribe procedures for the following:

(a) Issuance of written warnings or notices to correct in lieu of penalties, sanctions, or other violations with respect to regulatory violations that have no direct or immediate relationship to public safety as defined by the board;

(b) Waiving any fines, civil penalties, or administrative sanctions for violations, that have no direct or immediate relationship to public safety, and are corrected by the licensee within a reasonable amount of time as designated by the board; and

(c) A compliance program in accordance with chapter 43.05 RCW and RCW 69.50.342, whereby licensees may request compliance assistance and inspections without issuance of a penalty, sanction, or other violation provided that any noncompliant issues are resolved within a specified period of time.

(2) The board must adopt rules prescribing penalties for violations of this chapter. The board:

(a) May establish escalating penalties for violation of this chapter, provided that the cumulative effect of any such escalating penalties cannot last beyond two years and the escalation applies only to multiple violations that are the same or similar in nature;

(b) May not include cancellation of a license for a single violation, unless the board can prove by a preponderance of the evidence:

(i) Diversion of marijuana product to the illicit market or sales across state lines;

(ii) Furnishing of marijuana product to minors;

(iii) Diversion of revenue to criminal enterprises, gangs, cartels, or parties not qualified to hold a marijuana license based on criminal history requirements;

(iv) The commission of nonmarijuana-related crimes; or

(v) Knowingly making a misrepresentation of fact to the board, an officer of the board, or an employee of the board related to conduct or an action that is, or alleged to be, any of the violations identified in (b)(i) through (b)(iv) of this subsection (2);

(c) May include cancellation of a license for cumulative violations only if a marijuana licensee commits at least four violations within a two-year period of time;

(d) Must consider aggravating and mitigating circumstances and deviate from the prescribed penalties accordingly, and must authorize enforcement officers to do the same, provided that such penalty may not exceed the maximum escalating penalty prescribed by the board for that violation; and

(e) Must give substantial consideration to mitigating any penalty imposed on a licensee when there is employee misconduct that led to the violation and the licensee:

(i) Established a compliance program designed to prevent the violation;

(ii) Performed meaningful training with employees designed to prevent the violation; and

(iii) Had not enabled or ignored the violation or other similar violations in the past.

(3) The board may not consider any violation that occurred more than two years prior as grounds for denial, suspension, revocation, cancellation, or nonrenewal, unless the board can prove by a preponderance of the evidence that the prior administrative violation evidences:

(a) Diversion of marijuana product to the illicit market or sales across state lines;

(b) Furnishing of marijuana product to minors;

(c) Diversion of revenue to criminal enterprises, gangs, cartels, or parties not qualified to hold a marijuana license based on criminal history requirements;

(d) The commission of nonmarijuana-related crimes; or

(e) Knowingly making a misrepresentation of fact to the board, an officer of the board, or an employee of the board related to conduct or an action that is, or is alleged to be, any of the violations identified in (a) through (d) of this subsection (3).

Sec. 7. RCW 69.50.331 and 2017 c 317 s 2 are each amended to read as follows:

(1) For the purpose of considering any application for a license to produce, process, research, transport, or deliver marijuana, useable marijuana, marijuana concentrates, or marijuana-infused products subject to the regulations established under RCW 69.50.385, or sell marijuana, or for the renewal of a license to produce, process, research, transport, or deliver marijuana, useable marijuana, marijuana concentrates, or marijuana-infused products subject to the regulations established under RCW 69.50.385, or sell marijuana, the ((state

~~liquor and cannabis~~) board must conduct a comprehensive, fair, and impartial evaluation of the applications timely received.

(a) The ~~((state liquor and cannabis))~~ board may cause an inspection of the premises to be made, and may inquire into all matters in connection with the construction and operation of the premises. For the purpose of reviewing any application for a license and for considering the denial, suspension, revocation, cancellation, or renewal or denial thereof, of any license, the ~~((state liquor and cannabis))~~ board may consider any prior criminal ~~((conduct))~~ arrests or convictions of the applicant ~~((including an))~~, any public safety administrative violation history record with the ~~((state liquor and cannabis))~~ board, and a criminal history record information check. The ~~((state liquor and cannabis))~~ board may submit the criminal history record information check to the Washington state patrol and to the identification division of the federal bureau of investigation in order that these agencies may search their records for prior arrests and convictions of the individual or individuals who filled out the forms. The ~~((state liquor and cannabis))~~ board must require fingerprinting of any applicant whose criminal history record information check is submitted to the federal bureau of investigation. The provisions of RCW 9.95.240 and of chapter 9.96A RCW do not apply to these cases. Subject to the provisions of this section, the ~~((state liquor and cannabis))~~ board may, in its discretion, grant or deny the renewal or license applied for. Denial may be based on, without limitation, the existence of chronic illegal activity documented in objections submitted pursuant to subsections (7)(c) and (10) of this section. Authority to approve an uncontested or unopposed license may be granted by the ~~((state liquor and cannabis))~~ board to any staff member the board designates in writing. Conditions for granting this authority must be adopted by rule.

(b) No license of any kind may be issued to:

(i) A person under the age of twenty-one years;

(ii) A person doing business as a sole proprietor who has not lawfully resided in the state for at least six months prior to applying to receive a license;

(iii) A partnership, employee cooperative, association, nonprofit corporation, or corporation unless formed under the laws of this state, and unless all of the members thereof are qualified to obtain a license as provided in this section; or

(iv) A person whose place of business is conducted by a manager or agent, unless the manager or agent possesses the same qualifications required of the licensee.

(2)(a) The ~~((state liquor and cannabis))~~ board may, in its discretion, subject to ~~((the provisions of))~~ sections 2, 3, and 6 of this act, RCW 69.50.334, and 69.50.342(3) suspend or cancel any license; and all protections of the licensee from criminal or civil sanctions under state law for producing, processing, researching, or selling marijuana, marijuana concentrates, useable marijuana, or marijuana-infused products thereunder must be suspended or terminated, as the case may be.

(b) The ~~((state liquor and cannabis))~~ board must immediately suspend the license of a person who has been certified pursuant to RCW 74.20A.320 by the department of social and health services as a person who is not in compliance with a support order. If the person has continued to meet all other requirements for reinstatement during the suspension, reissuance of the license is automatic

upon the (~~(state liquor and cannabis)~~) board's receipt of a release issued by the department of social and health services stating that the licensee is in compliance with the order.

(c) The (~~(state liquor and cannabis)~~) board may request the appointment of administrative law judges under chapter 34.12 RCW who shall have power to administer oaths, issue subpoenas for the attendance of witnesses and the production of papers, books, accounts, documents, and testimony, examine witnesses, (~~and to~~) receive testimony in any inquiry, investigation, hearing, or proceeding in any part of the state, and consider mitigating and aggravating circumstances in any case and deviate from any prescribed penalty, under rules (~~and regulations~~) the (~~(state liquor and cannabis)~~) board may adopt.

(d) Witnesses must be allowed fees and mileage each way to and from any inquiry, investigation, hearing, or proceeding at the rate authorized by RCW 34.05.446. Fees need not be paid in advance of appearance of witnesses to testify or to produce books, records, or other legal evidence.

(e) In case of disobedience of any person to comply with the order of the (~~(state liquor and cannabis)~~) board or a subpoena issued by the (~~(state liquor and cannabis)~~) board, or any of its members, or administrative law judges, or on the refusal of a witness to testify to any matter regarding which he or she may be lawfully interrogated, the judge of the superior court of the county in which the person resides, on application of any member of the board or administrative law judge, compels obedience by contempt proceedings, as in the case of disobedience of the requirements of a subpoena issued from said court or a refusal to testify therein.

(3) Upon receipt of notice of the suspension or cancellation of a license, the licensee must forthwith deliver up the license to the (~~(state liquor and cannabis)~~) board. Where the license has been suspended only, the (~~(state liquor and cannabis)~~) board must return the license to the licensee at the expiration or termination of the period of suspension. The (~~(state liquor and cannabis)~~) board must notify all other licensees in the county where the subject licensee has its premises of the suspension or cancellation of the license; and no other licensee or employee of another licensee may allow or cause any marijuana, marijuana concentrates, useable marijuana, or marijuana-infused products to be delivered to or for any person at the premises of the subject licensee.

(4) Every license issued under this chapter is subject to all conditions and restrictions imposed by this chapter or by rules adopted by the (~~(state liquor and cannabis)~~) board to implement and enforce this chapter. All conditions and restrictions imposed by the (~~(state liquor and cannabis)~~) board in the issuance of an individual license must be listed on the face of the individual license along with the trade name, address, and expiration date.

(5) Every licensee must post and keep posted its license, or licenses, in a conspicuous place on the premises.

(6) No licensee may employ any person under the age of twenty-one years.

(7)(a) Before the (~~(state liquor and cannabis)~~) board issues a new or renewed license to an applicant it must give notice of the application to the chief executive officer of the incorporated city or town, if the application is for a license within an incorporated city or town, or to the county legislative authority, if the application is for a license outside the boundaries of incorporated cities or towns, or to the tribal government if the application is for a license within Indian

country, or to the port authority if the application for a license is located on property owned by a port authority.

(b) The incorporated city or town through the official or employee selected by it, the county legislative authority or the official or employee selected by it, the tribal government, or port authority has the right to file with the ~~((state liquor and cannabis))~~ board within twenty days after the date of transmittal of the notice for applications, or at least thirty days prior to the expiration date for renewals, written objections against the applicant or against the premises for which the new or renewed license is asked. The ~~((state liquor and cannabis))~~ board may extend the time period for submitting written objections upon request from the authority notified by the ~~((state liquor and cannabis))~~ board.

(c) The written objections must include a statement of all facts upon which the objections are based, and in case written objections are filed, the city or town or county legislative authority may request, and the ~~((state liquor and cannabis))~~ board may in its discretion hold, a hearing subject to the applicable provisions of Title 34 RCW. If the ~~((state liquor and cannabis))~~ board makes an initial decision to deny a license or renewal based on the written objections of an incorporated city or town or county legislative authority, the applicant may request a hearing subject to the applicable provisions of Title 34 RCW. If a hearing is held at the request of the applicant, ~~((state liquor and cannabis))~~ board representatives must present and defend the ~~((state liquor and cannabis))~~ board's initial decision to deny a license or renewal.

(d) Upon the granting of a license under this title the ~~((state liquor and cannabis))~~ board must send written notification to the chief executive officer of the incorporated city or town in which the license is granted, or to the county legislative authority if the license is granted outside the boundaries of incorporated cities or towns.

(8)(a) Except as provided in (b) through (d) of this subsection, the ~~((state liquor and cannabis))~~ board may not issue a license for any premises within one thousand feet of the perimeter of the grounds of any elementary or secondary school, playground, recreation center or facility, child care center, public park, public transit center, or library, or any game arcade admission to which is not restricted to persons aged twenty-one years or older.

(b) A city, county, or town may permit the licensing of premises within one thousand feet but not less than one hundred feet of the facilities described in (a) of this subsection, except elementary schools, secondary schools, and playgrounds, by enacting an ordinance authorizing such distance reduction, provided that such distance reduction will not negatively impact the jurisdiction's civil regulatory enforcement, criminal law enforcement interests, public safety, or public health.

(c) A city, county, or town may permit the licensing of research premises allowed under RCW 69.50.372 within one thousand feet but not less than one hundred feet of the facilities described in (a) of this subsection by enacting an ordinance authorizing such distance reduction, provided that the ordinance will not negatively impact the jurisdiction's civil regulatory enforcement, criminal law enforcement, public safety, or public health.

(d) The ~~((state liquor and cannabis))~~ board may license premises located in compliance with the distance requirements set in an ordinance adopted under (b) or (c) of this subsection. Before issuing or renewing a research license for

premises within one thousand feet but not less than one hundred feet of an elementary school, secondary school, or playground in compliance with an ordinance passed pursuant to (c) of this subsection, the board must ensure that the facility:

(i) Meets a security standard exceeding that which applies to marijuana producer, processor, or retailer licensees;

(ii) Is inaccessible to the public and no part of the operation of the facility is in view of the general public; and

(iii) Bears no advertising or signage indicating that it is a marijuana research facility.

(e) The (~~state liquor and cannabis~~) board may not issue a license for any premises within Indian country, as defined in 18 U.S.C. Sec. 1151, including any fee patent lands within the exterior boundaries of a reservation, without the consent of the federally recognized tribe associated with the reservation or Indian country.

(9) A city, town, or county may adopt an ordinance prohibiting a marijuana producer or marijuana processor from operating or locating a business within areas zoned primarily for residential use or rural use with a minimum lot size of five acres or smaller.

(10) In determining whether to grant or deny a license or renewal of any license, the (~~state liquor and cannabis~~) board must give substantial weight to objections from an incorporated city or town or county legislative authority based upon chronic illegal activity associated with the applicant's operations of the premises proposed to be licensed or the applicant's operation of any other licensed premises, or the conduct of the applicant's patrons inside or outside the licensed premises. "Chronic illegal activity" means (a) a pervasive pattern of activity that threatens the public health, safety, and welfare of the city, town, or county including, but not limited to, open container violations, assaults, disturbances, disorderly conduct, or other criminal law violations, or as documented in crime statistics, police reports, emergency medical response data, calls for service, field data, or similar records of a law enforcement agency for the city, town, county, or any other municipal corporation or any state agency; or (b) an unreasonably high number of citations for violations of RCW 46.61.502 associated with the applicant's or licensee's operation of any licensed premises as indicated by the reported statements given to law enforcement upon arrest.

NEW SECTION. Sec. 8. A new section is added to chapter 69.50 RCW to read as follows:

(1) This section applies to the board's issuance of administrative violations to licensed marijuana producers, processors, retailers, transporters, and researchers, when a settlement conference is held between a hearing officer or designee of the board and the marijuana licensee that received a notice of an alleged administrative violation or violations.

(2) If a settlement agreement is entered between a marijuana licensee and a hearing officer or designee of the board at or after a settlement conference, the terms of the settlement agreement must be given substantial weight by the board.

(3) For the purposes of this section:

(a) "Settlement agreement" means the agreement or compromise between a licensed marijuana producer, processor, retailer, researcher, transporter, or

researcher and the hearing officer or designee of the board with authority to participate in the settlement conference, that:

(i) Includes the terms of the agreement or compromise regarding an alleged violation or violations by the licensee of this chapter, chapter 69.51A RCW, or rules adopted under either chapter, and any related penalty or licensing restriction; and

(ii) Is in writing and signed by the licensee and the hearing officer or designee of the board.

(b) "Settlement conference" means a meeting or discussion between a licensed marijuana producer, processor, retailer, researcher, transporter, researcher, or authorized representative of any of the preceding licensees, and a hearing officer or designee of the board, held for purposes such as discussing the circumstances surrounding an alleged violation of law or rules by the licensee, the recommended penalty, and any aggravating or mitigating factors, and that is intended to resolve the alleged violation before an administrative hearing or judicial proceeding is initiated.

Sec. 9. RCW 69.50.101 and 2018 c 132 s 2 are each reenacted and amended to read as follows:

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

(a) "Administer" means to apply a controlled substance, whether by injection, inhalation, ingestion, or any other means, directly to the body of a patient or research subject by:

(1) a practitioner authorized to prescribe (or, by the practitioner's authorized agent); or

(2) the patient or research subject at the direction and in the presence of the practitioner.

(b) "Agent" means an authorized person who acts on behalf of or at the direction of a manufacturer, distributor, or dispenser. It does not include a common or contract carrier, public warehouseperson, or employee of the carrier or warehouseperson.

(c) "CBD concentration" has the meaning provided in RCW 69.51A.010.

(d) "CBD product" means any product containing or consisting of cannabidiol.

(e) "Commission" means the pharmacy quality assurance commission.

(f) "Controlled substance" means a drug, substance, or immediate precursor included in Schedules I through V as set forth in federal or state laws, or federal or commission rules, but does not include industrial hemp as defined in RCW 15.120.010.

(g)(1) "Controlled substance analog" means a substance the chemical structure of which is substantially similar to the chemical structure of a controlled substance in Schedule I or II and:

(i) that has a stimulant, depressant, or hallucinogenic effect on the central nervous system substantially similar to the stimulant, depressant, or hallucinogenic effect on the central nervous system of a controlled substance included in Schedule I or II; or

(ii) with respect to a particular individual, that the individual represents or intends to have a stimulant, depressant, or hallucinogenic effect on the central nervous system substantially similar to the stimulant, depressant, or

hallucinogenic effect on the central nervous system of a controlled substance included in Schedule I or II.

(2) The term does not include:

(i) a controlled substance;

(ii) a substance for which there is an approved new drug application;

(iii) a substance with respect to which an exemption is in effect for investigational use by a particular person under Section 505 of the federal food, drug, and cosmetic act, 21 U.S.C. Sec. 355, or chapter 69.77 RCW to the extent conduct with respect to the substance is pursuant to the exemption; or

(iv) any substance to the extent not intended for human consumption before an exemption takes effect with respect to the substance.

(h) "Deliver" or "delivery" means the actual or constructive transfer from one person to another of a substance, whether or not there is an agency relationship.

(i) "Department" means the department of health.

(j) "Designated provider" has the meaning provided in RCW 69.51A.010.

(k) "Dispense" means the interpretation of a prescription or order for a controlled substance and, pursuant to that prescription or order, the proper selection, measuring, compounding, labeling, or packaging necessary to prepare that prescription or order for delivery.

(l) "Dispenser" means a practitioner who dispenses.

(m) "Distribute" means to deliver other than by administering or dispensing a controlled substance.

(n) "Distributor" means a person who distributes.

(o) "Drug" means (1) a controlled substance recognized as a drug in the official United States pharmacopoeia/national formulary or the official homeopathic pharmacopoeia of the United States, or any supplement to them; (2) controlled substances intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in individuals or animals; (3) controlled substances (other than food) intended to affect the structure or any function of the body of individuals or animals; and (4) controlled substances intended for use as a component of any article specified in (1), (2), or (3) of this subsection. The term does not include devices or their components, parts, or accessories.

(p) "Drug enforcement administration" means the drug enforcement administration in the United States Department of Justice, or its successor agency.

(q) "Electronic communication of prescription information" means the transmission of a prescription or refill authorization for a drug of a practitioner using computer systems. The term does not include a prescription or refill authorization verbally transmitted by telephone nor a facsimile manually signed by the practitioner.

(r) "Immature plant or clone" means a plant or clone that has no flowers, is less than twelve inches in height, and is less than twelve inches in diameter.

(s) "Immediate precursor" means a substance:

(1) that the commission has found to be and by rule designates as being the principal compound commonly used, or produced primarily for use, in the manufacture of a controlled substance;

(2) that is an immediate chemical intermediary used or likely to be used in the manufacture of a controlled substance; and

(3) the control of which is necessary to prevent, curtail, or limit the manufacture of the controlled substance.

(t) "Isomer" means an optical isomer, but in subsection (ff)(5) of this section, RCW 69.50.204(a) (12) and (34), and 69.50.206(b)(4), the term includes any geometrical isomer; in RCW 69.50.204(a) (8) and (42), and 69.50.210(c) the term includes any positional isomer; and in RCW 69.50.204(a)(35), 69.50.204(c), and 69.50.208(a) the term includes any positional or geometric isomer.

(u) "Lot" means a definite quantity of marijuana, marijuana concentrates, useable marijuana, or marijuana-infused product identified by a lot number, every portion or package of which is uniform within recognized tolerances for the factors that appear in the labeling.

(v) "Lot number" must identify the licensee by business or trade name and Washington state unified business identifier number, and the date of harvest or processing for each lot of marijuana, marijuana concentrates, useable marijuana, or marijuana-infused product.

(w) "Manufacture" means the production, preparation, propagation, compounding, conversion, or processing of a controlled substance, either directly or indirectly or by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and includes any packaging or repackaging of the substance or labeling or relabeling of its container. The term does not include the preparation, compounding, packaging, repackaging, labeling, or relabeling of a controlled substance:

(1) by a practitioner as an incident to the practitioner's administering or dispensing of a controlled substance in the course of the practitioner's professional practice; or

(2) by a practitioner, or by the practitioner's authorized agent under the practitioner's supervision, for the purpose of, or as an incident to, research, teaching, or chemical analysis and not for sale.

(x) "Marijuana" or "marihuana" means all parts of the plant *Cannabis*, whether growing or not, with a THC concentration greater than 0.3 percent on a dry weight basis; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin. The term does not include:

(1) The mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination; or

(2) Industrial hemp as defined in RCW 15.120.010.

(y) "Marijuana concentrates" means products consisting wholly or in part of the resin extracted from any part of the plant *Cannabis* and having a THC concentration greater than ten percent.

(z) "Marijuana processor" means a person licensed by the state liquor and cannabis board to process marijuana into marijuana concentrates, useable marijuana, and marijuana-infused products, package and label marijuana concentrates, useable marijuana, and marijuana-infused products for sale in

retail outlets, and sell marijuana concentrates, useable marijuana, and marijuana-infused products at wholesale to marijuana retailers.

(aa) "Marijuana producer" means a person licensed by the state liquor and cannabis board to produce and sell marijuana at wholesale to marijuana processors and other marijuana producers.

(bb) "Marijuana products" means useable marijuana, marijuana concentrates, and marijuana-infused products as defined in this section.

(cc) "Marijuana researcher" means a person licensed by the state liquor and cannabis board to produce, process, and possess marijuana for the purposes of conducting research on marijuana and marijuana-derived drug products.

(dd) "Marijuana retailer" means a person licensed by the state liquor and cannabis board to sell marijuana concentrates, useable marijuana, and marijuana-infused products in a retail outlet.

(ee) "Marijuana-infused products" means products that contain marijuana or marijuana extracts, are intended for human use, are derived from marijuana as defined in subsection (x) of this section, and have a THC concentration no greater than ten percent. The term "marijuana-infused products" does not include either useable marijuana or marijuana concentrates.

(ff) "Narcotic drug" means any of the following, whether produced directly or indirectly by extraction from substances of vegetable origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis:

(1) Opium, opium derivative, and any derivative of opium or opium derivative, including their salts, isomers, and salts of isomers, whenever the existence of the salts, isomers, and salts of isomers is possible within the specific chemical designation. The term does not include the isoquinoline alkaloids of opium.

(2) Synthetic opiate and any derivative of synthetic opiate, including their isomers, esters, ethers, salts, and salts of isomers, esters, and ethers, whenever the existence of the isomers, esters, ethers, and salts is possible within the specific chemical designation.

(3) Poppy straw and concentrate of poppy straw.

(4) Coca leaves, except coca leaves and extracts of coca leaves from which cocaine, ecgonine, and derivatives or ecgonine or their salts have been removed.

(5) Cocaine, or any salt, isomer, or salt of isomer thereof.

(6) Cocaine base.

(7) Ecgonine, or any derivative, salt, isomer, or salt of isomer thereof.

(8) Any compound, mixture, or preparation containing any quantity of any substance referred to in subparagraphs (1) through (7).

(gg) "Opiate" means any substance having an addiction-forming or addiction-sustaining liability similar to morphine or being capable of conversion into a drug having addiction-forming or addiction-sustaining liability. The term includes opium, substances derived from opium (opium derivatives), and synthetic opiates. The term does not include, unless specifically designated as controlled under RCW 69.50.201, the dextrorotatory isomer of 3-methoxy-n-methylmorphinan and its salts (dextromethorphan). The term includes the racemic and levorotatory forms of dextromethorphan.

(hh) "Opium poppy" means the plant of the species *Papaver somniferum* L., except its seeds.

(ii) "Person" means individual, corporation, business trust, estate, trust, partnership, association, joint venture, government, governmental subdivision or agency, or any other legal or commercial entity.

(jj) "Plant" has the meaning provided in RCW 69.51A.010.

(kk) "Poppy straw" means all parts, except the seeds, of the opium poppy, after mowing.

(ll) "Practitioner" means:

(1) A physician under chapter 18.71 RCW; a physician assistant under chapter 18.71A RCW; an osteopathic physician and surgeon under chapter 18.57 RCW; an osteopathic physician assistant under chapter 18.57A RCW who is licensed under RCW 18.57A.020 subject to any limitations in RCW 18.57A.040; an optometrist licensed under chapter 18.53 RCW who is certified by the optometry board under RCW 18.53.010 subject to any limitations in RCW 18.53.010; a dentist under chapter 18.32 RCW; a podiatric physician and surgeon under chapter 18.22 RCW; a veterinarian under chapter 18.92 RCW; a registered nurse, advanced registered nurse practitioner, or licensed practical nurse under chapter 18.79 RCW; a naturopathic physician under chapter 18.36A RCW who is licensed under RCW 18.36A.030 subject to any limitations in RCW 18.36A.040; a pharmacist under chapter 18.64 RCW or a scientific investigator under this chapter, licensed, registered or otherwise permitted insofar as is consistent with those licensing laws to distribute, dispense, conduct research with respect to or administer a controlled substance in the course of their professional practice or research in this state.

(2) A pharmacy, hospital or other institution licensed, registered, or otherwise permitted to distribute, dispense, conduct research with respect to or to administer a controlled substance in the course of professional practice or research in this state.

(3) A physician licensed to practice medicine and surgery, a physician licensed to practice osteopathic medicine and surgery, a dentist licensed to practice dentistry, a podiatric physician and surgeon licensed to practice podiatric medicine and surgery, a licensed physician assistant or a licensed osteopathic physician assistant specifically approved to prescribe controlled substances by his or her state's medical quality assurance commission or equivalent and his or her supervising physician, an advanced registered nurse practitioner licensed to prescribe controlled substances, or a veterinarian licensed to practice veterinary medicine in any state of the United States.

(mm) "Prescription" means an order for controlled substances issued by a practitioner duly authorized by law or rule in the state of Washington to prescribe controlled substances within the scope of his or her professional practice for a legitimate medical purpose.

(nn) "Production" includes the manufacturing, planting, cultivating, growing, or harvesting of a controlled substance.

(oo) "Qualifying patient" has the meaning provided in RCW 69.51A.010.

(pp) "Recognition card" has the meaning provided in RCW 69.51A.010.

(qq) "Retail outlet" means a location licensed by the state liquor and cannabis board for the retail sale of marijuana concentrates, useable marijuana, and marijuana-infused products.

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

(ss) "State," unless the context otherwise requires, means a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or a territory or insular possession subject to the jurisdiction of the United States.

(tt) "THC concentration" means percent of delta-9 tetrahydrocannabinol content per dry weight of any part of the plant *Cannabis*, or per volume or weight of marijuana product, or the combined percent of delta-9 tetrahydrocannabinol and tetrahydrocannabinolic acid in any part of the plant *Cannabis* regardless of moisture content.

(uu) "Ultimate user" means an individual who lawfully possesses a controlled substance for the individual's own use or for the use of a member of the individual's household or for administering to an animal owned by the individual or by a member of the individual's household.

(vv) "Useable marijuana" means dried marijuana flowers. The term "useable marijuana" does not include either marijuana-infused products or marijuana concentrates.

(ww) "Board" means the Washington state liquor and cannabis board.

Sec. 10. RCW 42.56.270 and 2018 c 201 s 8008, 2018 c 196 s 21, and 2018 c 4 s 9 are each reenacted and amended to read as follows:

The following financial, commercial, and proprietary information is exempt from disclosure under this chapter:

(1) Valuable formulae, designs, drawings, computer source code or object code, and research data obtained by any agency within five years of the request for disclosure when disclosure would produce private gain and public loss;

(2) Financial information supplied by or on behalf of a person, firm, or corporation for the purpose of qualifying to submit a bid or proposal for (a) a ferry system construction or repair contract as required by RCW 47.60.680 through 47.60.750 or (b) highway construction or improvement as required by RCW 47.28.070;

(3) Financial and commercial information and records supplied by private persons pertaining to export services provided under chapters 43.163 and 53.31 RCW, and by persons pertaining to export projects under RCW 43.23.035;

(4) Financial and commercial information and records supplied by businesses or individuals during application for loans or program services provided by chapters 43.325, 43.163, 43.160, 43.330, and 43.168 RCW, or during application for economic development loans or program services provided by any local agency;

(5) Financial information, business plans, examination reports, and any information produced or obtained in evaluating or examining a business and industrial development corporation organized or seeking certification under chapter 31.24 RCW;

(6) Financial and commercial information supplied to the state investment board by any person when the information relates to the investment of public trust or retirement funds and when disclosure would result in loss to such funds or in private loss to the providers of this information;

(7) Financial and valuable trade information under RCW 51.36.120;

(8) Financial, commercial, operations, and technical and research information and data submitted to or obtained by the clean Washington center in applications for, or delivery of, program services under chapter 70.95H RCW;

(9) Financial and commercial information requested by the public stadium authority from any person or organization that leases or uses the stadium and exhibition center as defined in RCW 36.102.010;

(10)(a) Financial information, including but not limited to account numbers and values, and other identification numbers supplied by or on behalf of a person, firm, corporation, limited liability company, partnership, or other entity related to an application for a horse racing license submitted pursuant to RCW 67.16.260(1)(b), marijuana producer, processor, or retailer license, liquor license, gambling license, or lottery retail license;

(b) Internal control documents, independent auditors' reports and financial statements, and supporting documents: (i) Of house-banked social card game licensees required by the gambling commission pursuant to rules adopted under chapter 9.46 RCW; or (ii) submitted by tribes with an approved tribal/state compact for class III gaming;

(c) Valuable formulae or financial or proprietary commercial information records received during a consultative visit or while providing consultative services to a licensed marijuana business in accordance with section 5 of this act;

(11) Proprietary data, trade secrets, or other information that relates to: (a) A vendor's unique methods of conducting business; (b) data unique to the product or services of the vendor; or (c) determining prices or rates to be charged for services, submitted by any vendor to the department of social and health services or the health care authority for purposes of the development, acquisition, or implementation of state purchased health care as defined in RCW 41.05.011;

(12)(a) When supplied to and in the records of the department of commerce:

(i) Financial and proprietary information collected from any person and provided to the department of commerce pursuant to RCW 43.330.050(8); and

(ii) Financial or proprietary information collected from any person and provided to the department of commerce or the office of the governor in connection with the siting, recruitment, expansion, retention, or relocation of that person's business and until a siting decision is made, identifying information of any person supplying information under this subsection and the locations being considered for siting, relocation, or expansion of a business;

(b) When developed by the department of commerce based on information as described in (a)(i) of this subsection, any work product is not exempt from disclosure;

(c) For the purposes of this subsection, "siting decision" means the decision to acquire or not to acquire a site;

(d) If there is no written contact for a period of sixty days to the department of commerce from a person connected with siting, recruitment, expansion, retention, or relocation of that person's business, information described in (a)(ii) of this subsection will be available to the public under this chapter;

(13) Financial and proprietary information submitted to or obtained by the department of ecology or the authority created under chapter 70.95N RCW to implement chapter 70.95N RCW;

(14) Financial, commercial, operations, and technical and research information and data submitted to or obtained by the life sciences discovery fund authority in applications for, or delivery of, grants under chapter 43.350 RCW, to the extent that such information, if revealed, would reasonably be expected to result in private loss to the providers of this information;

(15) Financial and commercial information provided as evidence to the department of licensing as required by RCW 19.112.110 or 19.112.120, except information disclosed in aggregate form that does not permit the identification of information related to individual fuel licensees;

(16) Any production records, mineral assessments, and trade secrets submitted by a permit holder, mine operator, or landowner to the department of natural resources under RCW 78.44.085;

(17)(a) Farm plans developed by conservation districts, unless permission to release the farm plan is granted by the landowner or operator who requested the plan, or the farm plan is used for the application or issuance of a permit;

(b) Farm plans developed under chapter 90.48 RCW and not under the federal clean water act, 33 U.S.C. Sec. 1251 et seq., are subject to RCW 42.56.610 and 90.64.190;

(18) Financial, commercial, operations, and technical and research information and data submitted to or obtained by a health sciences and services authority in applications for, or delivery of, grants under RCW 35.104.010 through 35.104.060, to the extent that such information, if revealed, would reasonably be expected to result in private loss to providers of this information;

(19) Information gathered under chapter 19.85 RCW or RCW 34.05.328 that can be identified to a particular business;

(20) Financial and commercial information submitted to or obtained by the University of Washington, other than information the university is required to disclose under RCW 28B.20.150, when the information relates to investments in private funds, to the extent that such information, if revealed, would reasonably be expected to result in loss to the University of Washington consolidated endowment fund or to result in private loss to the providers of this information;

(21) Market share data submitted by a manufacturer under RCW 70.95N.190(4);

(22) Financial information supplied to the department of financial institutions or to a portal under RCW 21.20.883, when filed by or on behalf of an issuer of securities for the purpose of obtaining the exemption from state securities registration for small securities offerings provided under RCW 21.20.880 or when filed by or on behalf of an investor for the purpose of purchasing such securities;

(23) Unaggregated or individual notices of a transfer of crude oil that is financial, proprietary, or commercial information, submitted to the department of ecology pursuant to RCW 90.56.565(1)(a), and that is in the possession of the department of ecology or any entity with which the department of ecology has shared the notice pursuant to RCW 90.56.565;

(24) Financial institution and retirement account information, and building security plan information, supplied to the liquor and cannabis board pursuant to RCW 69.50.325, 69.50.331, 69.50.342, and 69.50.345, when filed by or on behalf of a licensee or prospective licensee for the purpose of obtaining, maintaining, or renewing a license to produce, process, transport, or sell marijuana as allowed under chapter 69.50 RCW;

(25) Marijuana transport information, vehicle and driver identification data, and account numbers or unique access identifiers issued to private entities for traceability system access, submitted by an individual or business to the liquor and cannabis board under the requirements of RCW 69.50.325, 69.50.331,

69.50.342, and 69.50.345 for the purpose of marijuana product traceability. Disclosure to local, state, and federal officials is not considered public disclosure for purposes of this section;

(26) Financial and commercial information submitted to or obtained by the retirement board of any city that is responsible for the management of an employees' retirement system pursuant to the authority of chapter 35.39 RCW, when the information relates to investments in private funds, to the extent that such information, if revealed, would reasonably be expected to result in loss to the retirement fund or to result in private loss to the providers of this information except that (a) the names and commitment amounts of the private funds in which retirement funds are invested and (b) the aggregate quarterly performance results for a retirement fund's portfolio of investments in such funds are subject to disclosure;

(27) Proprietary financial, commercial, operations, and technical and research information and data submitted to or obtained by the liquor and cannabis board in applications for marijuana research licenses under RCW 69.50.372, or in reports submitted by marijuana research licensees in accordance with rules adopted by the liquor and cannabis board under RCW 69.50.372;

(28) Trade secrets, technology, proprietary information, and financial considerations contained in any agreements or contracts, entered into by a licensed marijuana business under RCW 69.50.395, which may be submitted to or obtained by the state liquor and cannabis board; and

(29) Financial, commercial, operations, and technical and research information and data submitted to or obtained by the Andy Hill cancer research endowment program in applications for, or delivery of, grants under chapter 43.348 RCW, to the extent that such information, if revealed, would reasonably be expected to result in private loss to providers of this information; and

(30) Proprietary information filed with the department of health under chapter 69.48 RCW.

Passed by the Senate April 23, 2019.

Passed by the House April 16, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 395

[Engrossed Second Substitute Senate Bill 5356]

LGBTQ COMMISSION

AN ACT Relating to establishing the Washington state LGBTQ commission; adding a new chapter to Title 43 RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature declares that the public policy of this state is to ensure equal opportunity for all Washingtonians. The legislature believes that the state is responsible for improving its interface with the LGBTQ community, identifying the needs of its members, and ensuring that there is an effective means of advocating for LGBTQ equity in all aspects of state government. Therefore, the legislature deems it necessary to create a commission to carry out the purposes of this chapter.

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

(1) "Commission" means the Washington state LGBTQ commission.

(2) "LGBTQ" includes lesbian, gay, bisexual, transgender, and queer communities.

NEW SECTION. Sec. 3. Subject to the availability of amounts appropriated for this specific purpose, the Washington state LGBTQ commission is established in the office of the governor. The commission shall be administered by an executive director, who shall be appointed by, and serve at the pleasure of, the governor. The governor shall set the salary of the executive director. The executive director shall employ the staff of the commission.

NEW SECTION. Sec. 4. (1) The commission consists of fifteen members appointed by the governor.

(2) The governor shall consider nominations for membership based upon maintaining a balanced and diverse distribution of race and ethnic, geographic, gender identity, sexual orientation, age, socioeconomic status, and occupational representation, where practicable.

(3) All commission members serve at the pleasure of the governor, but in no case may any member serve more than three years without formal reappointment by the governor. Of the persons initially appointed by the governor to the commission, five must be appointed to serve one year, five to serve two years, and five to serve three years. Upon expiration of such terms, subsequent appointments are for three years. Any vacancies occurring in the membership of the commission must be filled for the remainder of the unexpired term in the same manner as the original appointments.

(4) Two members of the senate, one from each of the two major political parties, appointed by the president of the senate, and two members of the house of representatives, one from each of the two major political parties, appointed by the speaker of the house of representatives, who support the legislative intent of the commission shall serve as advisory members. The legislative advisory members are nonvoting members and are not eligible to serve as a chair of the commission. All legislative advisory members shall serve for a two-year term and the position of any legislative advisory member shall be deemed vacated whenever such member ceases to be a member of the house from which the member was appointed.

(5)(a) Nonlegislative members must be reimbursed for expenses incurred in the performance of their duties in accordance with RCW 43.03.050 and 43.03.060.

(b) Legislative members shall be reimbursed for expenses incurred in the performance of their duties in accordance with RCW 44.04.120.

(6) A simple majority of the commission's membership constitutes a quorum for the purpose of conducting business. Legislative advisory members are not included in determining a quorum.

NEW SECTION. Sec. 5. The executive director of the commission shall:

(1) Monitor state legislation affecting LGBTQ people;

(2) Work with state agencies to assess programs and policies that affect LGBTQ people;

(3) Coordinate with the minority commissions, women's commission, and human rights commission to address issues of mutual concern; and

(4) Work as a liaison between the public and private sector to eliminate barriers to economic and health equity for LGBTQ people.

NEW SECTION. Sec. 6. (1) The commission shall have the following duties:

(a) Actively recruit and maintain a list of names of qualified LGBTQ people to fill vacancies on various boards and commissions;

(b) Provide a clearinghouse for information regarding both state and federal legislation as it relates to the purpose of this chapter;

(c) Identify and define specific needs of LGBTQ:

(i) People of color;

(ii) People with developmental disabilities;

(iii) Seniors;

(iv) People experiencing homelessness;

(v) Economic and small business development; and

(vi) Veterans, their spouses, and dependents;

(d) Consult with state agencies regarding the effect of agency policies, procedures, practices, laws, and administrative rules on the unique problems and needs of LGBTQ people. The commission shall also provide any data, input, and recommendations to state agencies on proposed agency rules and the development and implementation of comprehensive and coordinated policies, plans, and programs focusing on those problems and needs;

(e) Provide resource and referral information to agencies and the public. The commission may gather data and disseminate information to the public in order to implement the purposes of this chapter;

(f) Consult with nonprofit organizations;

(g) Hold public hearings to gather input on issues related to the unique problems and needs of LGBTQ people;

(h) Advocate for removal of barriers for LGBTQ people; and

(i) Review best practices for discrimination and harassment policies and training and provide recommendations to state agencies as they update their discrimination and harassment policies. The commission shall also maintain a file of discrimination and harassment policies that meet high quality standards and make these files available for agency use.

(2) The commission must submit a report to the appropriate committees of the legislature and the governor every two years detailing the commission's activities. The report submitted must be in electronic format pursuant to RCW 43.01.036, and include, at minimum:

(a) Recommendations for addressing the needs identified under subsection (1)(c) of this section;

(b) Input received during public hearings and recommendations for addressing the problems and needs discussed at the public hearings; and

(c) Recommendations regarding preserving the memory and contributions of LGBTQ members lost to HIV/AIDS in Washington state.

(3) State agencies must provide appropriate and reasonable assistance to the commission as needed, including providing notice of agency proposed rule making and gathering data and information, including but not limited to voluntary demographics, economic disparity studies, and other collectable data

by state agencies, in order for the commission to carry out the purpose of this chapter.

NEW SECTION. Sec. 7. (1) The commission has the power to receive gifts, grants, and endowments from public or private sources that are made for the use or benefit of the commission and to expend the same or any income therefrom according to their terms and the purpose of this chapter. The commission's executive director shall make a report of such funds received from private sources to the office of financial management on a regular basis. Such funds received from private sources must not be applied to reduce or substitute for the commission's budget as appropriated by the legislature, but must be applied and expended toward projects and functions authorized by this chapter that were not funded by the legislature.

(2) In carrying out its duties, the commission may establish such relationships with public and private institutions, local governments, private industry, community organizations, and other segments of the general public as may be needed to promote equal opportunity for LGBTQ people in government, education, economic security, employment, and services.

(3) The commission may adopt rules and regulations pursuant to chapter 34.05 RCW as are necessary to implement the purpose of this chapter.

NEW SECTION. Sec. 8. The legislature declares that:

(1) June of each year will be known as LGBTQ pride month;

(2) The fourth week in June is designated as a time for people of this state to celebrate the contributions to the state by LGBTQ people in the arts, sciences, commerce, and education; and

(3) Educational institutions, public entities, and private organizations are encouraged to designate time for appropriate activities in commemoration of the lives, history, achievements, and contributions of LGBTQ people.

NEW SECTION. Sec. 9. Sections 2 through 8 of this act constitute a new chapter in Title 43 RCW.

Passed by the Senate April 23, 2019.

Passed by the House April 12, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 396

[Substitute Senate Bill 5370]

COMMERCIAL AVIATION COORDINATING COMMISSION

AN ACT Relating to creating a state commercial aviation coordinating commission; creating new sections; and providing expiration dates.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that with the increase in air traffic operations, combined with the projections for the rapid expansion of these operations in both the short and the long term, concerns regarding the environmental, health, social, and economic impacts of air traffic are increasing as well. The legislature also finds that advancing Washington's position as a national and international trading leader is dependent upon the development of a

highly competitive, statewide passenger and cargo air transportation system. Therefore, the legislature seeks to identify a location for a new primary commercial aviation facility in Washington, taking into consideration the data and conclusions of appropriate air traffic studies, community representatives, and industry experts. Options for a new primary commercial aviation facility in Washington may include expansion of an existing airport facility. It is the intent of the legislature to establish a state commercial aviation coordinating commission to provide a location recommendation by January 1, 2022. The legislature also recognizes any preferred location will require substantial environmental, land use, governance, and funding decisions from state and local governments.

NEW SECTION. Sec. 2. (1) The state commercial aviation coordinating commission is created to carry out the functions of this chapter. The commission shall consist of fifteen voting members.

(2) The governor shall appoint thirteen voting members to represent the following interests:

(a) Four as representatives of commercial service airports and ports, one of whom shall represent a port located in a county with a population of two million or more, one of whom shall represent a port in eastern Washington with an airport runway of at least thirteen thousand five hundred feet in length, one of whom shall represent a commercial service airport in eastern Washington located in a county with a population of four hundred thousand or more, and one representing an association of ports;

(b) Three as representatives from the airline industry and the private sector;

(c) Two citizen representatives with one appointed from eastern Washington and one appointed from western Washington. The citizen appointees must:

(i) Represent the public interests in the communities that are included in the commission's site research; and

(ii) Understand the impacts of a large commercial aviation facility on a community;

(d) A representative from the freight forwarding industry;

(e) A representative from the trucking industry;

(f) A representative from a community organization that understands the impacts of a large commercial aviation facility on a community; and

(g) A representative from a statewide environmental organization.

(3) The remaining two members shall consist of:

(a) A representative from the department of commerce; and

(b) A representative from the division of aeronautics of the department of transportation.

(4) The commission shall invite the following nonvoting members:

(a) A representative from the Washington state aviation alliance;

(b) A representative from the department of defense;

(c) Two members from the senate, with one member from each of the two largest caucuses in the senate, appointed by the president of the senate;

(d) Two members from the house of representatives, with one member from each of the two largest caucuses in the house of representatives, appointed by the speaker of the house of representatives;

(e) A representative from the division of aeronautics of the department of transportation;

(f) A representative from an eastern Washington metropolitan planning organization;

(g) A representative from a western Washington metropolitan planning organization;

(h) A representative from an eastern Washington regional airport; and

(i) A representative from a western Washington regional airport.

(5) The governor may appoint additional nonvoting members as deemed appropriate.

(6) The commission shall select a chair from among its membership and shall adopt rules related to its powers and duties under this chapter.

(7) Legislative members of the commission are reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW. The commission has all powers necessary to carry out its duties as prescribed by this chapter.

(8) The department of transportation shall provide staff support for coordinating and administering the commission and technical assistance as requested by commission members. The department shall consider cost-saving options such as using online conferencing tools. Meetings shall be held in Olympia, Washington unless resources allow for alternative locations.

(9) At the direction of the commission, and as resources allow, the department of transportation is authorized to hire a consultant to assist with the review and research efforts of the commission. The contract is exempt from the competitive procurement requirements in chapter 39.26 RCW.

(10) The department of transportation shall convene the initial meeting of the commission as soon as practicable.

(11) This section expires July 1, 2022.

NEW SECTION. **Sec. 3.** (1) The state commercial aviation coordinating commission will review existing data and conduct research to determine Washington's long-range commercial aviation facility needs and the site of a new primary commercial aviation facility. Research for each potential site must include the feasibility of constructing a commercial aviation facility in that location and its potential environmental, community, and economic impacts. Options for a new primary commercial aviation facility in Washington may include expansion of an existing airport facility but may not include siting a facility on or in the vicinity of a military installation that would be incompatible with the installation's ability to carry out its mission requirements. The work of the commission shall include the following:

(a) Recommendations to the legislature on future Washington state long-range commercial aviation facility needs including possible additional aviation facilities or expansion of current aviation facilities, excluding those located in a county with a population of two million or more, to meet anticipated commercial aviation, general aviation, and air cargo demands; and

(b) Identifying a preferred location for a new primary commercial aviation facility. The commission shall make recommendations and shall select a single preferred location by a sixty percent majority vote using the following process:

(i) Initiating a broad review of potential sites;

(ii) Recommending a final short list of no more than six locations by January 1, 2021;

(iii) Identifying the top two locations from the final six locations by September 1, 2021; and

(iv) Identifying a single preferred location for a new primary commercial aviation facility by January 1, 2022.

(2) The commission shall submit a report of its findings and recommendations to the transportation committees of the legislature by January 1, 2022. The commission must allow a minority report to be included with the commission report if requested by a voting member of the commission.

(3) This section expires July 1, 2022.

NEW SECTION. Sec. 4. (1) The state commercial aviation coordinating commission shall project a timeline for the development of an additional commercial aviation facility that is completed and functional by 2040.

(2) This section expires July 1, 2022.

NEW SECTION. Sec. 5. (1) Nothing in this act shall be construed to endorse, limit, or otherwise alter existing or future plans for capital development and capacity enhancement at existing commercial airports in Washington.

(2) This section expires July 1, 2022.

Passed by the Senate April 26, 2019.

Passed by the House April 27, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 397

[Second Substitute Senate Bill 5433]

INCARCERATED ADULTS--POSTSECONDARY EDUCATION DEGREE OPPORTUNITIES-- REPORT

AN ACT Relating to providing postsecondary education opportunities to enhance public safety; amending 2017 c 120 s 1 (uncodified); creating a new section; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. 2017 c 120 s 1 (uncodified) is amended to read as follows:"

(1) The legislature finds that studies clearly and consistently demonstrate that incarcerated adults who obtain (~~(associate degree)~~) postsecondary education and training are more likely to be employed following release, which leads to a dramatic reduction in recidivism rates, significant improvements in public safety, and a major return on investment. The legislature finds that reducing recidivism would decrease the financial burden to taxpayers and the emotional burden of victims.

(2) The legislature finds that research indicates that (~~(associate degree)~~) postsecondary education and training is an effective evidence-based practice for reducing recidivism. An analysis commissioned by the United States department of justice determined that adults who received such education while incarcerated were forty-three percent less likely to recidivate.

(3) Ninety-five percent of incarcerated adults ultimately return to their communities to obtain employment and contribute to society. The legislature

finds that according to the bureau of labor statistics, unemployment rates for people with only a high school education are twice that of those with an associate degree. Research has shown that adults who participated in such education while incarcerated were thirteen percent more likely to be employed.

(4) The legislature further finds that correctional education is cost-effective. A 2014 study by the Washington state institute for public policy estimated that the state received a return on investment of twenty dollars for every dollar invested in correctional education.

(5) It is the intent of the legislature to enhance public safety ~~((by reducing)), reduce crime ((and increasing)), and increase employment rates in a cost-effective manner by ((authorizing associate degree))~~ exploring benefits and costs associated with providing postsecondary education degree opportunities and training ((of)) to incarcerated adults through expanded partnerships between the community and technical colleges and the department of corrections.

(6) ~~((The legislature does not intend to provide additional funding to the department of corrections with chapter 120, Laws of 2017 and intends that the department of corrections incorporate associate degree education into its available educational and vocational opportunities for offenders within existing funds set aside for this purpose.))~~ It is the intent of the legislature to support exploring the use of secure internet connections expressly for the purposes of furthering postsecondary education degree opportunities and training of incarcerated adults. The legislature intends for the department to be able to provide complete assurance that all offender-used internet connections are secure.

NEW SECTION. Sec. 2. (1) Subject to the availability of amounts appropriated for this specific purpose, the department of corrections, the state board for community and technical colleges, and the office of the chief information officer shall submit, in compliance with RCW 43.01.036, a report to the governor and the appropriate committees of the legislature by December 1, 2019, including the following:

(a) A plan for implementing secure internet connections to achieve the purposes of this act;

(b) The barriers and costs associated with implementing secure internet connections for the purpose of postsecondary education and training of incarcerated individuals;

(c) A review of the fiscal impacts, including any estimated capital and operating costs associated with expanding current educational opportunities to include providing postsecondary education degree opportunities and training to incarcerated adults through expanded partnerships between the community and technical colleges and the department of corrections;

(d) A plan for implementing the expansion of postsecondary education degree opportunities, specifying the estimated period of time necessary for implementation, within the estimated costs associated with the fiscal impacts reviewed in (c) of this subsection.

(2) The department may conduct a proof of concept pilot at one correctional institution for a new secure internet connection for offender postsecondary education. Results of the proof of concept pilot must be used to inform the report required in subsection (1) of this section.

(3) This section expires December 31, 2019.

Passed by the Senate April 22, 2019.

Passed by the House April 10, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 398

[Senate Bill 5551]

COURTHOUSE FACILITY DOGS

AN ACT Relating to courthouse facility dog assistance for testifying witnesses; and adding a new section to chapter 10.52 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. **Sec. 1.** A new section is added to chapter 10.52 RCW to read as follows:

(1) Courts are authorized to permit a courthouse facility dog for use by witnesses in any judicial proceeding.

(2) Courts with an available courthouse facility dog must allow a witness under eighteen years of age, or who has a developmental disability as defined in RCW 71A.10.020, to use a courthouse facility dog to accompany them while testifying in court.

(3) Courts may allow any witness who does not meet the criteria in subsection (2) of this section to use a courthouse facility dog, if available, to accompany them while testifying in court.

(4) Before the introduction of a courthouse facility dog into the courtroom and outside the presence of the jury, the party desiring to use the assistance of a courthouse facility dog must file a motion setting out: (a) The credentials of the courthouse facility dog; (b) that the courthouse facility dog is adequately insured; (c) that a relationship has been established between the witness and the courthouse facility dog in anticipation of testimony; and (d) reasons why the courthouse facility dog is necessary to facilitate the witness's testimony.

(5) Upon a finding that the presence of a courthouse facility dog is necessary to facilitate a witness's testimony, the witness must be afforded the opportunity to have a courthouse facility dog accompany the witness while testifying, if a courthouse facility dog and certified handler are available within the jurisdiction of the court in which the proceeding is held.

(6) If the court grants the motion filed under subsection (4) of this section, the certified handler must be present in the courtroom to advocate for the facility dog as necessary. The courthouse facility dog performing this service should be trained to accompany the witness to the stand without being attached to the certified handler by a leash and lie on the floor out of view of the jury while the witness testifies.

(7) In a jury trial, the following provisions apply:

(a) In the course of jury selection, either party may, with the court's approval, voir dire prospective jury members on whether the presence of a courthouse facility dog to assist a witness would create undue sympathy for the witness or cause prejudice to a party in any other way.

(b) To the extent possible, the court shall ensure that the jury will be unable to observe the facility dog prior to, during, and subsequent to the witness's testimony.

(c) On request of either party, the court shall present appropriate jury instructions that are designed to prevent any prejudice that might result from the presence of the courthouse facility dog before the witness testifies and at the conclusion of the trial.

(8) Courts may adopt rules for the use of a courthouse facility dog authorized under this section.

(9) For purposes of this section:

(a) "Certified handler" means a person who (i) was trained to handle the courthouse facility dog by the assistance dog organization that placed the dog and (ii) is a professional working in the legal system who is knowledgeable about its practices.

(b) "Courthouse facility dog" means a dog that: (i) Has graduated from a program of an assistance dog organization that is accredited by a recognized organization whose main purpose is to grant accreditation to assistance dog organizations based on standards of excellence in all areas of assistance dog acquisition, training of the dogs and their handlers, and placement; and (ii) was specially selected to provide services in the legal system to provide quiet companionship to witnesses during stressful legal proceedings thereby enabling them to better engage with the process.

Passed by the Senate April 24, 2019.

Passed by the House April 16, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 399

[Second Substitute Senate Bill 5602]

REPRODUCTIVE HEALTH CARE BARRIERS

AN ACT Relating to eliminating barriers to reproductive health care for all; amending RCW 48.43.072; adding a new section to chapter 74.09 RCW; adding a new section to chapter 70.41 RCW; adding a new section to chapter 48.43 RCW; adding a new section to chapter 70.250 RCW; creating new sections; providing effective dates; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds and declares:

(1) It is the public policy of this state to provide the maximum access to reproductive health care and reproductive health care coverage for all people in Washington state.

(2) In 2018, the legislature passed Substitute Senate Bill No. 6219. Along with reproductive health care coverage requirements, the bill mandated a literature review of barriers to reproductive health care. As documented by the report submitted to the legislature on January 1, 2019, young people, immigrants, people living in rural communities, transgender and gender nonconforming people, and people of color still face significant barriers to getting the reproductive health care they need.

(3) Washingtonians who are transgender and gender nonconforming have important reproductive health care needs as well. These needs go unmet when,

in the process of seeking care, transgender and gender nonconforming people are stigmatized or are denied critical health services because of their gender identity or expression.

(4) The literature review mandated by Substitute Senate Bill No. 6219 found that, "[a]ccording to 2015 U.S. Transgender Survey data, thirty-two percent of transgender respondents in Washington State reported that in the previous year they did not see a doctor when needed because they could not afford it."

(5) Existing state law should be enhanced to ensure greater coverage of and timely access to reproductive health care for the benefit of all Washingtonians, regardless of gender identity or expression.

(6) Because stigma is also a key barrier to access to reproductive health care, all Washingtonians, regardless of gender identity, should be free from discrimination in the provision of health care services, health care plan coverage, and in access to publicly funded health coverage.

(7) All people should have access to robust reproductive health services to maintain and improve their reproductive health.

NEW SECTION. Sec. 2. A new section is added to chapter 74.09 RCW to read as follows:

(1) In the provision of reproductive health care services through programs under this chapter, the authority, managed care plans, and providers that administer or deliver such services may not discriminate in the delivery of a service provided through a program of the authority based on the covered person's gender identity or expression.

(2) The authority and any managed care plans delivering or administering services purchased or contracted for by the authority, may not issue automatic initial denials of coverage for reproductive health care services that are ordinarily or exclusively available to individuals of one gender, based on the fact that the individual's gender assigned at birth, gender identity, or gender otherwise recorded in one or more government-issued documents, is different from the one to which such health services are ordinarily or exclusively available.

(3) Denials as described in subsection (2) of this section are prohibited discrimination under chapter 49.60 RCW.

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

(a) "Gender expression" means a person's gender-related appearance and behavior, whether or not stereotypically associated with the person's gender assigned at birth.

(b) "Gender identity" means a person's internal sense of the person's own gender, regardless of the person's gender assigned at birth.

(c) "Reproductive health care services" means any medical services or treatments, including pharmaceutical and preventive care service or treatments, directly involved in the reproductive system and its processes, functions, and organs involved in reproduction, in all stages of life. Reproductive health care services does not include infertility treatment.

(d) "Reproductive system" includes, but is not limited to: Genitals, gonads, the uterus, ovaries, fallopian tubes, and breasts.

(5) This section must not be construed to authorize discrimination on the basis of a covered person's gender identity or expression in the administration of any other medical assistance programs administered by the authority.

Sec. 3. RCW 48.43.072 and 2018 c 119 s 2 are each amended to read as follows:

(1) A health plan (~~issued or renewed on or after January 1, 2019,~~) or student health plan, including student health plans deemed by the insurance commissioner to have a short-term limited purpose or duration or to be guaranteed renewable while the covered person is enrolled as a regular full-time undergraduate or graduate student at an accredited higher education institution, shall provide coverage for:

(a) All contraceptive drugs, devices, and other products, approved by the federal food and drug administration, including over-the-counter contraceptive drugs, devices, and products, approved by the federal food and drug administration. This includes condoms, regardless of the gender or sexual orientation of the covered person, and regardless of whether they are to be used for contraception or exclusively for the prevention of sexually transmitted infections;

(b) Voluntary sterilization procedures;

(c) The consultations, examinations, procedures, and medical services that are necessary to prescribe, dispense, insert, deliver, distribute, administer, or remove the drugs, devices, and other products or services in (a) and (b) of this subsection(-);

(d) The following preventive services:

(i) Screening for physical, mental, sexual, and reproductive health care needs that arise from a sexual assault; and

(ii) Well-person preventive visits;

(e) Medically necessary services and prescription medications for the treatment of physical, mental, sexual, and reproductive health care needs that arise from a sexual assault; and

(f) The following reproductive health-related over-the-counter drugs and products approved by the federal food and drug administration: Prenatal vitamins for pregnant persons; and breast pumps for covered persons expecting the birth or adoption of a child.

(2) The coverage required by subsection (1) of this section:

(a) May not require copayments, deductibles, or other forms of cost sharing(-);

(i) Except for:

(A) The medically necessary services and prescription medications required by subsection (1)(e) of this section; and

(B) The drugs and products in subsection (1)(f) of this section; or

(ii) Unless the health plan is offered as a qualifying health plan for a health savings account. For such a qualifying health plan, the carrier must establish the plan's cost sharing for the coverage required by subsection (1) of this section at the minimum level necessary to preserve the enrollee's ability to claim tax exempt contributions and withdrawals from (~~his or her~~) the enrollee's health savings account under internal revenue service laws and regulations; and

(b) May not require a prescription to trigger coverage of over-the-counter contraceptive drugs, devices, and products, approved by the federal food and

drug administration, except those reproductive health related drugs and products as set forth in subsection (1)(f) of this section.

(3) A health carrier may not deny the coverage required in subsection (1) of this section because an enrollee changed (~~(his or her)~~) the enrollee's contraceptive method within a twelve-month period.

(4) Except as otherwise authorized under this section, a health benefit plan may not impose any restrictions or delays on the coverage required under this section, such as medical management techniques that limit enrollee choice in accessing the full range of contraceptive drugs, devices, or other products, approved by the federal food and drug administration.

(5) Benefits provided under this section must be extended to all enrollees, enrolled spouses, and enrolled dependents.

(6) This section may not be construed to allow for denial of care on the basis of race, color, national origin, sex, sexual orientation, gender expression or identity, marital status, age, citizenship, immigration status, or disability.

(7) A health plan or student health plan, including student health plans deemed by the insurance commissioner to have a short-term limited purpose or duration or to be guaranteed renewable while the covered person is enrolled as a regular full-time undergraduate or graduate student at an accredited higher education institution, issued or renewed on or after January 1, 2021, may not issue automatic initial denials of coverage for reproductive health care services that are ordinarily or exclusively available to individuals of one gender, based on the fact that the individual's gender assigned at birth, gender identity, or gender otherwise recorded in one or more government-issued documents, is different from the one to which such health services are ordinarily or exclusively available.

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

(a) "Gender expression" means a person's gender-related appearance and behavior, whether or not stereotypically associated with the person's gender assigned at birth.

(b) "Gender identity" means a person's internal sense of the person's own gender, regardless of the person's gender assigned at birth.

(c) "Reproductive health care services" means any medical services or treatments, including pharmaceutical and preventive care service or treatments, directly involved in the reproductive system and its processes, functions, and organs involved in reproduction, in all stages of life. Reproductive health care services does not include infertility treatment.

(d) "Reproductive system" includes, but is not limited to: Genitals, gonads, the uterus, ovaries, fallopian tubes, and breasts.

(e) "Well-person preventive visits" means the preventive annual visits recommended by the federal health resources and services administration women's preventive services guidelines, with the understanding that those visits must be covered for women, and when medically appropriate, for transgender, nonbinary, and intersex individuals.

(9) This section may not be construed to authorize discrimination on the basis of gender identity or expression, or perceived gender identity or expression, in the provision of nonreproductive health care services.

(10) The commissioner, under RCW 48.30.300, and the human rights commission, under chapter 49.60 RCW shall share enforcement authority over complaints of discrimination under this section as set forth in RCW 49.60.178.

(11) The commissioner may adopt rules to implement this section.

NEW SECTION. Sec. 4. A new section is added to chapter 70.41 RCW to read as follows:

(1) By September 1, 2019, every hospital must submit to the department its policies related to access to care regarding:

- (a) Admission;
- (b) Nondiscrimination; and
- (c) Reproductive health care.

(2) The department shall post a copy of the policies received under subsection (1) of this section on its web site.

(3) If a hospital makes changes to any of the policies listed under subsection (1) of this section, it must submit a copy of the changed policy to the department within thirty days after the hospital approves the changes.

(4) A hospital must post a copy of the policies provided to the department under subsection (1) of this section and the form required under subsection (5) of this section to the hospital's own web site in a location where the policies are readily accessible to the public without a required login or other restriction.

(5) By September 1, 2019, the department shall, in consultation with stakeholders including a hospital association and patient advocacy groups, develop a simple and clear form to be submitted by hospitals along with the policies required in subsection (1) of this section. The form must provide the public with specific information about which reproductive health care services are and are not generally available at each hospital. The form must include contact information for the hospital in case patients have specific questions about services available at the hospital.

NEW SECTION. Sec. 5. A new section is added to chapter 48.43 RCW to read as follows:

(1) The legislature intends to codify the state's current practice of requiring health carriers to bill enrollees with a single invoice and to segregate into a separate account the premium attributable to abortion services for which federal funding is prohibited. Washington has achieved full compliance with section 1303 of the federal patient protection and affordable care act by requiring health carriers to submit a single invoice to enrollees and to segregate into a separate account the premium amounts attributable to coverage of abortion services for which federal funding is prohibited. Further, section 1303 states that the act does not preempt or otherwise have any effect on state laws regarding the prohibition of, or requirement of, coverage, funding, or procedural requirements on abortions.

(2) In accordance with RCW 48.43.073 related to requirements for coverage and funding of abortion services, an issuer offering a qualified health plan must:

(a) Bill enrollees and collect payment through a single invoice that includes all benefits and services covered by the qualified health plan; and

(b) Include in the segregation plan required under applicable federal and state law a certification that the issuer's billing and payment processes meet the requirements of this section.

NEW SECTION. Sec. 6. A new section is added to chapter 70.250 RCW to read as follows:

(1) No later than January 1, 2020, the collaborative shall begin a review to identify, define, and endorse guidelines for the provision of high quality sexual and reproductive health services in clinical settings throughout Washington. This shall include the development of specific clinical recommendations to improve sexual and reproductive health care for:

- (a) People of color;
- (b) Immigrants and refugees;
- (c) Victims and survivors of violence; and
- (d) People with disabilities.

(2) The collaborative shall conduct its review consistent with the activities, processes, and reporting standards specified in RCW 70.250.050. In conducting its review, the collaborative shall apply a whole-person framework to develop evidence-based, culturally sensitive recommendations to improve standards of care and health equity.

(3) By December 15, 2020, the collaborative, through the authority, shall provide a status report to the committees of the legislature with jurisdiction over matters related to health care and to the governor.

NEW SECTION. Sec. 7. The department of health shall develop recommendations for increasing awareness about financial support that is available for preexposure and postexposure prophylaxis. The department of health shall consult with the state board of health, the health care authority, and the health benefit exchange in developing its recommendation related to outreach and education to affected populations. By December 1, 2019, the department of health shall provide its recommendations to the appropriate committees of the legislature.

NEW SECTION. Sec. 8. This act may be known and cited as the reproductive health care access for all act.

NEW SECTION. Sec. 9. (1) Section 2 of this act takes effect January 1, 2020.

(2) Section 3 of this act takes effect January 1, 2021.

NEW SECTION. Sec. 10. Section 5 of this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the Senate April 26, 2019.

Passed by the House April 25, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 400

[Senate Bill 5605]

MISDEMEANOR MARIJUANA OFFENSE CONVICTIONS--VACATION

AN ACT Relating to misdemeanor marijuana offense convictions; reenacting and amending RCW 9.96.060; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 9.96.060 and 2017 c 336 s 2, 2017 c 272 s 9, and 2017 c 128 s 1 are each reenacted and amended to read as follows:

(1) ~~((Every person convicted of a misdemeanor or gross misdemeanor offense who has completed all of the terms of the sentence for the misdemeanor or gross misdemeanor offense may apply to the sentencing court for a vacation of the applicant's record of conviction for the offense. If the court finds the applicant meets the tests prescribed in subsection (2) of this section, the court may in its discretion vacate the record of conviction))~~ When vacating a conviction under this section, the court effectuates the vacation by: (a)(i) Permitting the applicant to withdraw the applicant's plea of guilty and to enter a plea of not guilty; or (ii) if the applicant has been convicted after a plea of not guilty, the court setting aside the verdict of guilty; and (b) the court dismissing the information, indictment, complaint, or citation against the applicant and vacating the judgment and sentence.

(2) Every person convicted of a misdemeanor or gross misdemeanor offense may apply to the sentencing court for a vacation of the applicant's record of conviction for the offense. If the court finds the applicant meets the requirements of this subsection, the court may in its discretion vacate the record of conviction. Except as provided in subsections (3), (4), and (5) of this section, an applicant may not have the record of conviction for a misdemeanor or gross misdemeanor offense vacated if any one of the following is present:

(a) The applicant has not completed all of the terms of the sentence for the offense;

(b) There are any criminal charges against the applicant pending in any court of this state or another state, or in any federal court;

~~((b))~~ (c) The offense was a violent offense as defined in RCW 9.94A.030 or an attempt to commit a violent offense;

~~((e))~~ (d) The offense was a violation of RCW 46.61.502 (driving while under the influence), 46.61.504 (actual physical control while under the influence), 9.91.020 (operating a railroad, etc. while intoxicated), or the offense is considered a "prior offense" under RCW 46.61.5055 and the applicant has had a subsequent alcohol or drug violation within ten years of the date of arrest for the prior offense or less than ten years has elapsed since the date of the arrest for the prior offense;

~~((d))~~ (e) The offense was any misdemeanor or gross misdemeanor violation, including attempt, of chapter 9.68 RCW (obscenity and pornography), chapter 9.68A RCW (sexual exploitation of children), or chapter 9A.44 RCW (sex offenses);

~~((e))~~ (f) The applicant was convicted of a misdemeanor or gross misdemeanor offense as defined in RCW 10.99.020, or the court determines after a review of the court file that the offense was committed by one family member or household member against another, or the court, after considering the damage to person or property that resulted in the conviction, any prior convictions for crimes defined in RCW 10.99.020, or for comparable offenses in another state or in federal court, and the totality of the records under review by the court regarding the conviction being considered for vacation, determines that the offense involved domestic violence, and any one of the following factors exist:

(i) The applicant has not provided written notification of the vacation petition to the prosecuting attorney's office that prosecuted the offense for which vacation is sought, or has not provided that notification to the court;

(ii) The applicant has previously had a conviction for domestic violence. For purposes of this subsection, however, if the current application is for more than one conviction that arose out of a single incident, none of those convictions counts as a previous conviction;

(iii) The applicant has signed an affidavit under penalty of perjury affirming that the applicant has not previously had a conviction for a domestic violence offense, and a criminal history check reveals that the applicant has had such a conviction; or

(iv) Less than five years have elapsed since the person completed the terms of the original conditions of the sentence, including any financial obligations and successful completion of any treatment ordered as a condition of sentencing;

~~((f))~~ (g) For any offense other than those described in ~~((e))~~ (f) of this subsection, less than three years have passed since the person completed the terms of the sentence, including any financial obligations;

~~((g))~~ (h) The offender has been convicted of a new crime in this state, another state, or federal court since the date of conviction;

~~((h))~~ (i) The applicant has ever had the record of another conviction vacated; or

~~((i))~~ (j) The applicant is currently restrained, or has been restrained within five years prior to the vacation application, by a domestic violence protection order, a no-contact order, an antiharassment order, or a civil restraining order which restrains one party from contacting the other party.

(3) Subject to RCW 9.96.070, every person convicted of prostitution under RCW 9A.88.030 who committed the offense as a result of being a victim of trafficking, RCW 9A.40.100, promoting prostitution in the first degree, RCW 9A.88.070, promoting commercial sexual abuse of a minor, RCW 9.68A.101, or trafficking in persons under the trafficking victims protection act of 2000, 22 U.S.C. Sec. 7101 et seq. may apply to the sentencing court for vacation of the applicant's record of conviction for the prostitution offense. An applicant may not have the record of conviction for prostitution vacated if any one of the following is present:

(a) There are any criminal charges against the applicant pending in any court of this state or another state, or in any federal court, for any crime other than prostitution; or

(b) The offender has been convicted of another crime, except prostitution, in this state, another state, or federal court since the date of conviction. The limitation in this subsection (3)(b) does not apply to convictions where the offender proves by a preponderance of the evidence that he or she committed the crime as a result of being a victim of trafficking, RCW 9A.40.100, promoting prostitution in the first degree, RCW 9A.88.070, promoting commercial sexual abuse of a minor, RCW 9.68A.101, or trafficking in persons under the trafficking victims protection act of 2000, 22 U.S.C. Sec. 7101 et seq., according to the requirements provided in RCW 9.96.070 for each respective conviction.

(4) Every person convicted prior to January 1, 1975, of violating any statute or rule regarding the regulation of fishing activities, including, but not limited to, RCW 75.08.260, 75.12.060, 75.12.070, 75.12.160, 77.16.020, 77.16.030,

77.16.040, 77.16.060, and 77.16.240 who claimed to be exercising a treaty Indian fishing right, may apply to the sentencing court for vacation of the applicant's record of the misdemeanor, gross misdemeanor, or felony conviction for the offense. If the person is deceased, a member of the person's family or an official representative of the tribe of which the person was a member may apply to the court on behalf of the deceased person. Notwithstanding the requirements of RCW 9.94A.640, the court shall vacate the record of conviction if:

(a) The applicant is a member of a tribe that may exercise treaty Indian fishing rights at the location where the offense occurred; and

(b) The state has been enjoined from taking enforcement action of the statute or rule to the extent that it interferes with a treaty Indian fishing right as determined under *United States v. Washington*, 384 F. Supp. 312 (W.D. Wash. 1974), or *Sohappy v. Smith*, 302 F. Supp. 899 (D. Oregon 1969), and any posttrial orders of those courts, or any other state supreme court or federal court decision.

(5) Every person convicted of a misdemeanor marijuana offense, who was twenty-one years of age or older at the time of the offense, may apply to the sentencing court for a vacation of the applicant's record of conviction for the offense. A misdemeanor marijuana offense includes, but is not limited to: Any offense under RCW 69.50.4014, from July 1, 2004, onward, and its predecessor statutes, including RCW 69.50.401(e), from March 21, 1979, to July 1, 2004, and RCW 69.50.401(d), from May 21, 1971, to March 21, 1979, and any offense under an equivalent municipal ordinance. If an applicant qualifies under this subsection, the court shall vacate the record of conviction.

~~(6)~~(a) Once the court vacates a record of conviction under this section, the person shall be released from all penalties and disabilities resulting from the offense and the fact that the person has been convicted of the offense shall not be included in the person's criminal history for purposes of determining a sentence in any subsequent conviction. For all purposes, including responding to questions on employment or housing applications, a person whose conviction has been vacated under this section may state that he or she has never been convicted of that crime. Except as provided in (b) of this subsection, nothing in this section affects or prevents the use of an offender's prior conviction in a later criminal prosecution.

(b) When a court vacates a record of domestic violence as defined in RCW 10.99.020 under this section, the state may not use the vacated conviction in a later criminal prosecution unless the conviction was for: (i) Violating the provisions of a restraining order, no-contact order, or protection order restraining or enjoining the person or restraining the person from going on to the grounds of or entering a residence, workplace, school, or day care, or prohibiting the person from knowingly coming within, or knowingly remaining within, a specified distance of a location (RCW 10.99.040, 10.99.050, 26.09.300, 26.10.220, ~~((26.26.138))~~ 26.26B.050, 26.44.063, 26.44.150, 26.50.060, 26.50.070, 26.50.130, 26.52.070, or 74.34.145); or (ii) stalking (RCW 9A.46.110). A vacated conviction under this section is not considered a conviction of such an offense for the purposes of 27 C.F.R. 478.11.

~~((6))~~ (7) All costs incurred by the court and probation services shall be paid by the person making the motion to vacate the record unless a

determination is made pursuant to chapter 10.101 RCW that the person making the motion is indigent, at the time the motion is brought.

~~((7))~~ (8) The clerk of the court in which the vacation order is entered shall immediately transmit the order vacating the conviction to the Washington state patrol identification section and to the local police agency, if any, which holds criminal history information for the person who is the subject of the conviction. The Washington state patrol and any such local police agency shall immediately update their records to reflect the vacation of the conviction, and shall transmit the order vacating the conviction to the federal bureau of investigation. A conviction that has been vacated under this section may not be disseminated or disclosed by the state patrol or local law enforcement agency to any person, except other criminal justice enforcement agencies.

NEW SECTION. Sec. 2. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2019, in the omnibus appropriations act, this act is null and void.

Passed by the Senate April 26, 2019.

Passed by the House April 23, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 401

[Substitute Senate Bill 5652]

IMPOUNDED VEHICLES--PERSONAL BELONGINGS

AN ACT Relating to personal belongings disposal; and amending RCW 46.55.090 and 46.55.110.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 46.55.090 and 1995 c 360 s 4 are each amended to read as follows:

(1) All vehicles impounded shall be taken to the nearest storage location that has been inspected and is listed on the application filed with the department.

(2) All vehicles and stored personal belongings shall be handled and returned in substantially the same condition as they existed before being towed.

(3) ~~((A))~~ For purposes of this subsection, "personal belongings" means personal property and contents in ((the) a vehicle, with the exception of those items of personal property that are registered or titled with the department((;)), For a period of twenty days from impound, personal belongings shall be kept intact, and shall be returned to the vehicle's owner or agent during normal business hours upon request and presentation of a driver's license or other sufficient identification. ((Personal belongings, with the exception of those items of personal property that are registered or titled with the department, shall not)) A vehicle's owner or agent may retrieve personal belongings from the vehicle and request that the registered tow truck operator store the personal belongings for a period of thirty days from the date of signing a personal belongings storage request form. If a personal belongings storage request form is not submitted, personal belongings not claimed within twenty days from the date of the impound are considered abandoned and may be disposed of at the registered tow truck operator's discretion. If a personal belongings storage request form is

submitted to the registered tow truck operator, personal belongings not claimed within thirty days of the date the personal belongings storage request form is submitted are considered abandoned and may be disposed of at the registered tow truck operator's discretion. Abandoned personal belongings may be sold at auction with the vehicle to fulfill a lien against the vehicle. The department shall adopt rules prescribing the content and format of the personal belongings storage request form.

~~(4) ((All personal belongings, with the exception of those items of personal property that are registered or titled with the department, not claimed before the auction shall be turned over to the local law enforcement agency to which the initial notification of impoundment was given. Such personal belongings shall be disposed of pursuant to chapter 63.32 or 63.40 RCW.~~

(5)) Tow truck drivers shall have a Washington state driver's license endorsed for the appropriate classification under chapter 46.25 RCW or the equivalent issued by another state.

~~((6))~~ (5) Any person who shows proof of ownership or written authorization from the impounded vehicle's registered or legal owner or the vehicle's insurer may view the vehicle without charge during normal business hours.

Sec. 2. RCW 46.55.110 and 2017 c 43 s 1 are each amended to read as follows:

(1)(a) When an unauthorized vehicle is impounded, the impounding towing operator shall notify the legal and registered owners of the impoundment of the unauthorized vehicle and the owners of any other items of personal property registered or titled with the department. The notification shall be sent by first-class mail within twenty-four hours after the impoundment to the last known registered and legal owners of the vehicle, and the owners of any other items of personal property registered or titled with the department, as provided by the law enforcement agency, and shall inform the owners of the identity of the person or agency authorizing the impound.

(b) The notification shall include the name of the impounding tow firm, its address, and telephone number. The notice shall also include the location, time of the impound, and by whose authority the vehicle was impounded. The notice shall also include the written notice of the right of redemption and opportunity for a hearing to contest the validity of the impoundment pursuant to RCW 46.55.120.

(c) The notification must include a notice that the registered tow truck operator will store personal belongings found in the vehicle at no cost if the vehicle's owner or agent is present to retrieve the personal belongings from the vehicle and sign a personal belongings storage request form before the date of auction. If the vehicle's owner calls a registered tow truck operator to inquire about the impounded vehicle, the registered tow truck operator shall inform the owner of the owner's ability to retrieve any personal belongings from the vehicle and to request the registered tow truck operator to store the personal belongings by signing a personal belongings storage request form before the date of auction. Registered tow truck operators shall store personal belongings at no cost for thirty days from the date the personal belongings are removed from the vehicle by the owner and the vehicle's owner or agent has signed a personal belongings

storage request form. Registered tow truck operators shall maintain a record of any signed personal belongings storage request form.

(2) In addition, if a suspended license impound has been ordered, the notice must state the length of the impound, the requirement of the posting of a security deposit to ensure payment of the costs of removal, towing, and storage, notification that if the security deposit is not posted the vehicle will immediately be processed and sold at auction as an abandoned vehicle, and the requirements set out in RCW 46.55.120(1)(c) regarding the payment of the costs of removal, towing, and storage as well as providing proof of satisfaction of any penalties, fines, or forfeitures before redemption. The notice must also state that the registered owner is ineligible to purchase the vehicle at the abandoned vehicle auction, if held.

(3) In the case of an abandoned vehicle, or other item of personal property registered or titled with the department, within twenty-four hours after receiving information on the legal and registered owners from the department through the abandoned vehicle report, the tow truck operator shall send by first-class mail a notice of custody and sale to the legal and registered owners and of the penalties for the traffic infraction littering—abandoned vehicle. The notice must include a notice that the registered tow truck operator will store personal belongings found in the vehicle at no cost if the vehicle's owner or agent is present to retrieve the personal belongings from the vehicle and sign a personal belongings storage request form before the date of auction. The tow truck operator shall obtain a certificate of mailing from the United States postal service when notice is mailed.

(4) If the date on which a notice required by subsection (3) of this section is to be mailed falls upon a Saturday, Sunday, or a postal holiday, the notice may be mailed on the next day that is neither a Saturday, Sunday, nor a postal holiday.

(5) No notices need be sent to the legal or registered owners of an impounded vehicle or other item of personal property registered or titled with the department, if the vehicle or personal property has been redeemed.

Passed by the Senate April 25, 2019.

Passed by the House April 17, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 402

[Substitute Senate Bill 5670]

FIRE PROTECTION DISTRICTS--INTERLOCAL AGREEMENTS TO MAINTAIN AND REPAIR VEHICLES AND EQUIPMENT

AN ACT Relating to expanding the allowable powers of fire protection districts; amending RCW 52.12.031; and adding a new section to chapter 28A.160 RCW.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 52.12.031 and 2010 c 8 s 15002 are each amended to read as follows:

Any fire protection district organized under this title may:

(1) Lease, acquire, own, maintain, operate, and provide fire and emergency medical apparatus and all other necessary or proper facilities, machinery, and

equipment for the prevention and suppression of fires, the providing of emergency medical services and the protection of life and property;

(2) Enter into an interlocal agreement with any local jurisdiction to maintain and repair any vehicle or equipment owned and used exclusively by such county, city, town, school district, or other political subdivision of the state of Washington. As used in this subsection, "local jurisdiction" means any county, city, town, school district, or other political subdivision of the state of Washington;

(3) Lease, acquire, own, maintain, and operate real property, improvements, and fixtures for housing, repairing, and maintaining the apparatus, facilities, machinery, and equipment described in subsection (1) of this section;

~~((3))~~ (4) Contract with any governmental entity under chapter 39.34 RCW or private person or entity to consolidate, provide, or cooperate for fire prevention protection, fire suppression, investigation, and emergency medical purposes. In so contracting, the district or governmental entity is deemed for all purposes to be acting within its governmental capacity. This contracting authority includes the furnishing of fire prevention, fire suppression, investigation, emergency medical services, facilities, and equipment to or by the district, governmental entity, or private person or entity;

~~((4))~~ (5) Encourage uniformity and coordination of fire protection district operations. The fire commissioners of fire protection districts may form an association to secure information of value in suppressing and preventing fires and other district purposes, to hold and attend meetings, and to promote more economical and efficient operation of the associated fire protection districts. The commissioners of fire protection districts in the association shall adopt articles of association or articles of incorporation for a nonprofit corporation, select a chair, secretary, and other officers as they may determine, and may employ and discharge agents and employees as the officers deem convenient to carry out the purposes of the association. The expenses of the association may be paid from funds paid into the association by fire protection districts: PROVIDED, That the aggregate contributions made to the association by a district in a calendar year shall not exceed two and one-half cents per thousand dollars of assessed valuation;

~~((5))~~ (6) Enter into contracts to provide group life insurance for the benefit of the personnel of the fire districts;

~~((6))~~ (7) Perform building and property inspections that the district deems necessary to provide fire prevention services and pre-fire planning within the district and any area that the district serves by contract in accordance with RCW 19.27.110: PROVIDED, That codes used by the district for building and property inspections shall be limited to the applicable codes adopted by the state, county, city, or town that has jurisdiction over the area in which the property is located. A copy of inspection reports prepared by the district shall be furnished by the district to the appropriate state, county, city, or town that has jurisdiction over the area in which the property is located: PROVIDED, That nothing in this subsection shall be construed to grant code enforcement authority to a district. This subsection shall not be construed as imposing liability on any governmental jurisdiction;

~~((7))~~ (8) Determine the origin and cause of fires occurring within the district and any area the district serves by contract. In exercising the authority

conferred by this subsection, the fire protection district and its authorized representatives shall comply with the provisions of RCW 43.44.050;

~~((8))~~ (9) Perform acts consistent with this title and not otherwise prohibited by law.

NEW SECTION. Sec. 2. A new section is added to chapter 28A.160 RCW to read as follows:

The maintenance and repair of school buses may be provided by a fire protection district pursuant to RCW 52.12.031(1).

Passed by the Senate April 22, 2019.

Passed by the House April 10, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 403

[Substitute Senate Bill 5723]

VULNERABLE ROADWAY USERS--SAFETY

AN ACT Relating to increasing safety on roadways for pedestrians, bicyclists, and other roadway users; amending RCW 46.04.071, 46.61.110, 46.61.145, 46.61.180, 46.61.185, 46.61.190, 46.61.205, 46.61.250, 46.61.770, 3.62.090, 2.68.040, and 46.63.110; reenacting and amending RCW 43.84.092; creating a new section; prescribing penalties; and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that a number of the collision types that have resulted in a high number of serious injuries and deaths of vulnerable roadway users can be associated with certain types of traffic infractions. To address the heightened risk to vulnerable roadway users when violations of these traffic infractions occur, the legislature intends to: (1) Introduce an additional fine as a penalty for drivers who commit these violations against a vulnerable roadway user; (2) modify when certain vulnerable roadway users may be passed by motor vehicles; and (3) clarify when and how pedestrians and bicyclists may use the roadway. To increase enforcement of all traffic infractions and offenses committed against vulnerable roadway users, the legislature intends for revenue that is collected from the new fine to be dedicated to the education of law enforcement officers, prosecutors, and judges about opportunities for the enforcement of traffic violations committed against vulnerable roadway users, with any remaining funds to be used to increase awareness by the public of the risks and penalties associated with these traffic violations. The goals of this act are to achieve a reduction in the frequency with which drivers violate traffic laws that endanger vulnerable roadway users and to encourage safe sharing of the roadway by drivers, bicyclists, pedestrians, and other vulnerable roadway users.

Sec. 2. RCW 46.04.071 and 2018 c 60 s 2 are each amended to read as follows:

"Bicycle" means every device propelled solely by human power, or an electric-assisted bicycle as defined in RCW 46.04.169, upon which a person or persons may ride, having two tandem wheels either of which is sixteen inches or more in diameter, or three wheels, any one of which is ~~((more than))~~ twenty inches or more in diameter.

Sec. 3. RCW 46.61.110 and 2005 c 396 s 1 are each amended to read as follows:

The following rules shall govern the overtaking and passing of vehicles proceeding in the same direction(~~(, subject to those limitations, exceptions and special rules hereinafter stated)~~):

(1)~~(a)~~ The driver of a vehicle overtaking other traffic proceeding in the same direction shall pass to the left (~~(thereof)~~) of it at a safe distance and shall not again drive to the right side of the roadway until safely clear of the overtaken traffic.

(b)(i) When the vehicle being overtaken is a motorcycle, motor-driven cycle, or moped, a driver of a motor vehicle found to be in violation of (a) of this subsection must be assessed an additional fine equal to the base penalty assessed under RCW 46.63.110(3). This fine may not be waived, reduced, or suspended, unless the court finds the offender to be indigent, and is not subject to the additional fees and assessments that the base penalty for this violation is subject to under RCW 2.68.040, 3.62.090, and 46.63.110.

(ii) The additional fine imposed under (b)(i) of this subsection must be deposited into the vulnerable roadway user education account created in RCW 46.61.145.

(2)~~(a)~~ The driver of a vehicle approaching an individual who is traveling as a pedestrian or on a bicycle ((that)), riding an animal, or using a farm tractor or implement of husbandry without an enclosed shell, and who is ((on)) traveling in the right lane of a roadway or on the right-hand shoulder or bicycle lane of the roadway, shall ((pass to the left at a safe distance to clearly avoid coming into contact with the pedestrian or bicyclist, and shall not again drive to the right side of the roadway until safely clear of the overtaken pedestrian or bicyclist)):

(i) On a roadway with two lanes or more for traffic moving in the direction of travel, before passing and until safely clear of the individual, move completely into a lane to the left of the right lane when it is safe to do so;

(ii) On a roadway with only one lane for traffic moving in the direction of travel:

(A) When there is sufficient room to the left of the individual in the lane for traffic moving in the direction of travel, before passing and until safely clear of the individual:

(I) Reduce speed to a safe speed for passing relative to the speed of the individual; and

(II) Pass at a safe distance, where practicable of at least three feet, to clearly avoid coming into contact with the individual or the individual's vehicle or animal; or

(B) When there is insufficient room to the left of the individual in the lane for traffic moving in the direction of travel to comply with (a)(ii)(A) of this subsection, before passing and until safely clear of the individual, move completely into the lane for traffic moving in the opposite direction when it is safe to do so and in compliance with RCW 46.61.120 and 46.61.125.

(b) A driver of a motor vehicle found to be in violation of this subsection (2) must be assessed an additional fine equal to the base penalty assessed under RCW 46.63.110(3). This fine may not be waived, reduced, or suspended, unless the court finds the offender to be indigent, and is not subject to the additional

fees and assessments that the base penalty for this violation is subject to under RCW 2.68.040, 3.62.090, and 46.63.110.

(c) The additional fine imposed under (b) of this subsection must be deposited into the vulnerable roadway user education account created in RCW 46.61.145.

(d) For the purposes of this section, "vulnerable user of a public way" has the same meaning as provided in RCW 46.61.526(11)(c).

(3) Except when overtaking and passing on the right is permitted, overtaken traffic shall give way to the right in favor of an overtaking vehicle on audible signal and shall not increase speed until completely passed by the overtaking vehicle.

Sec. 4. RCW 46.61.145 and 1965 ex.s. c 155 s 24 are each amended to read as follows:

(1) The driver of a motor vehicle shall not follow another vehicle more closely than is reasonable and prudent, having due regard for the speed of such vehicles and the traffic upon and the condition of the highway.

(2) The driver of any motor truck or motor vehicle drawing another vehicle when traveling upon a roadway outside of a business or residence district and which is following another motor truck or motor vehicle drawing another vehicle shall, whenever conditions permit, leave sufficient space so that an overtaking vehicle may enter and occupy such space without danger, except that this shall not prevent a motor truck or motor vehicle drawing another vehicle from overtaking and passing any like vehicle or other vehicle.

(3) Motor vehicles being driven upon any roadway outside of a business or residence district in a caravan or motorcade whether or not towing other vehicles shall be so operated as to allow sufficient space between each such vehicle or combination of vehicles so as to enable any other vehicle to enter and occupy such space without danger. This provision shall not apply to funeral processions.

(4)(a) When the vehicle being followed is a vulnerable user of a public way, a driver of a motor vehicle found to be in violation of this section must be assessed an additional fine equal to the base penalty assessed under RCW 46.63.110(3). This fine may not be waived, reduced, or suspended, unless the court finds the offender to be indigent, and is not subject to the additional fees and assessments that the base penalty for this violation is subject to under RCW 2.68.040, 3.62.090, and 46.63.110.

(b) For the purposes of this section, "vulnerable user of a public way" has the same meaning as provided in RCW 46.61.526(11)(c).

(5) The additional fine imposed under subsection (4) of this section must be deposited into the vulnerable roadway user education account created in subsection (6) of this section.

(6) The vulnerable roadway user education account is created in the state treasury. All receipts from the additional fine in subsection (4) of this section must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only by the Washington traffic safety commission solely to:

(a) Support programs dedicated to increasing awareness by law enforcement officers, prosecutors, and judges of opportunities for the enforcement of traffic infractions and offenses committed against vulnerable roadway users; and

(b) With any funds remaining once the program support specified in (a) of this subsection has been provided, support programs dedicated to increasing awareness by the public of the risks and penalties associated with traffic infractions and offenses committed against vulnerable roadway users.

Sec. 5. RCW 46.61.180 and 1975 c 62 s 26 are each amended to read as follows:

(1) When two vehicles approach or enter an intersection from different highways at approximately the same time, the driver of the vehicle on the left shall yield the right-of-way to the vehicle on the right.

(2) The right-of-way rule declared in subsection (1) of this section is modified at arterial highways and otherwise as stated in this chapter.

(3)(a) When the vehicle on the right approaching the intersection is a vulnerable user of a public way, a driver of a motor vehicle found to be in violation of this section must be assessed an additional fine equal to the base penalty assessed under RCW 46.63.110(3). This fine may not be waived, reduced, or suspended, unless the court finds the offender to be indigent, and is not subject to the additional fees and assessments that the base penalty for this violation is subject to under RCW 2.68.040, 3.62.090, and 46.63.110.

(b) For the purposes of this section, "vulnerable user of a public way" has the same meaning as provided in RCW 46.61.526(11)(c).

(4) The additional fine imposed under subsection (3) of this section must be deposited into the vulnerable roadway user education account created in RCW 46.61.145.

Sec. 6. RCW 46.61.185 and 1965 ex.s. c 155 s 29 are each amended to read as follows:

(1) The driver of a vehicle intending to turn to the left within an intersection or into an alley, private road, or driveway shall yield the right-of-way to any vehicle approaching from the opposite direction which is within the intersection or so close thereto as to constitute an immediate hazard.

(2)(a) When the vehicle approaching from the opposite direction within the intersection or so close that it constitutes an immediate hazard is a vulnerable user of a public way, a driver of a motor vehicle found to be in violation of this section must be assessed an additional fine equal to the base penalty assessed under RCW 46.63.110(3). This fine may not be waived, reduced, or suspended, unless the court finds the offender to be indigent, and is not subject to the additional fees and assessments that the base penalty for this violation is subject to under RCW 2.68.040, 3.62.090, and 46.63.110.

(b) For the purposes of this section, "vulnerable user of a public way" has the same meaning as provided in RCW 46.61.526(11)(c).

(3) The additional fine imposed under subsection (2) of this section must be deposited into the vulnerable roadway user education account created in RCW 46.61.145.

Sec. 7. RCW 46.61.190 and 2000 c 239 s 5 are each amended to read as follows:

(1) Preferential right-of-way may be indicated by stop signs or yield signs as authorized in RCW 47.36.110.

(2) Except when directed to proceed by a duly authorized flagger, or a police officer, or a firefighter vested by law with authority to direct, control, or

regulate traffic, every driver of a vehicle approaching a stop sign shall stop at a clearly marked stop line, but if none, before entering a marked crosswalk on the near side of the intersection or, if none, then at the point nearest the intersecting roadway where the driver has a view of approaching traffic on the intersecting roadway before entering the roadway, and after having stopped shall yield the right-of-way to any vehicle in the intersection or approaching on another roadway so closely as to constitute an immediate hazard during the time when such driver is moving across or within the intersection or junction of roadways.

(3) The driver of a vehicle approaching a yield sign shall in obedience to such sign slow down to a speed reasonable for the existing conditions and if required for safety to stop, shall stop at a clearly marked stop line, but if none, before entering a marked crosswalk on the near side of the intersection or if none, then at the point nearest the intersecting roadway where the driver has a view of approaching traffic on the intersecting roadway before entering the roadway, and then after slowing or stopping, the driver shall yield the right-of-way to any vehicle in the intersection or approaching on another roadway so closely as to constitute an immediate hazard during the time such driver is moving across or within the intersection or junction of roadways: PROVIDED, That if such a driver is involved in a collision with a vehicle in the intersection or junction of roadways, after driving past a yield sign without stopping, such collision shall be deemed prima facie evidence of the driver's failure to yield right-of-way.

(4)(a) When right-of-way has not been yielded in accordance with this section to a vehicle that is a vulnerable user of a public way, a driver of a motor vehicle found to be in violation of this section must be assessed an additional fine equal to the base penalty assessed under RCW 46.63.110(3). This fine may not be waived, reduced, or suspended, unless the court finds the offender to be indigent, and is not subject to the additional fees and assessments that the base penalty for this violation is subject to under RCW 2.68.040, 3.62.090, and 46.63.110.

(b) For the purposes of this section, "vulnerable user of a public way" has the same meaning as provided in RCW 46.61.526(11)(c).

(5) The additional fine imposed under subsection (4) of this section must be deposited into the vulnerable roadway user education account created in RCW 46.61.145.

Sec. 8. RCW 46.61.205 and 1990 c 250 s 88 are each amended to read as follows:

(1) The driver of a vehicle about to enter or cross a highway from a private road or driveway shall yield the right-of-way to all vehicles lawfully approaching on said highway.

(2)(a) When right-of-way has not been yielded in accordance with this section to a vehicle that is a vulnerable user of a public way, a driver of a motor vehicle found to be in violation of this section must be assessed an additional fine equal to the base penalty assessed under RCW 46.63.110(3). This fine may not be waived, reduced, or suspended, unless the court finds the offender to be indigent, and is not subject to the additional fees and assessments that the base penalty for this violation is subject to under RCW 2.68.040, 3.62.090, and 46.63.110.

(b) For the purposes of this section, "vulnerable user of a public way" has the same meaning as provided in RCW 46.61.526(11)(c).

(3) The additional fine imposed under subsection (2) of this section must be deposited into the vulnerable roadway user education account created in RCW 46.61.145.

Sec. 9. RCW 46.61.250 and 1990 c 241 s 6 are each amended to read as follows:

(1) Where sidewalks are provided and are accessible, it is unlawful for any pedestrian to walk or otherwise move along and upon an adjacent roadway. Where sidewalks are provided but wheelchair access is not available, ~~((disabled))~~ persons with disabilities who require such access may walk or otherwise move along and upon an adjacent roadway until they reach an access point in the sidewalk.

(2) Where sidewalks are not provided ~~((any))~~ or are inaccessible, a pedestrian walking or otherwise moving along and upon a highway shall~~((:))~~:

(a) When ~~((practicable))~~ shoulders are provided and are accessible, walk ~~((or move only))~~ on the ~~((left side of the roadway or its))~~ shoulder ~~((facing traffic which may approach from the opposite direction and))~~ of the roadway as far as is practicable from the edge of the roadway, facing traffic when a shoulder is available in this direction; or

(b) When shoulders are not provided or are inaccessible, walk as near as is practicable to the outside edge of the roadway facing traffic, and when practicable, move clear of the roadway upon meeting an oncoming vehicle ~~((shall move clear of the roadway))~~.

(3) A pedestrian traveling to the nearest emergency reporting device on a one-way roadway of a controlled access highway is not required to travel facing traffic as otherwise required by subsection (2) of this section.

Sec. 10. RCW 46.61.770 and 1982 c 55 s 7 are each amended to read as follows:

(1) Every person operating a bicycle upon a roadway at a rate of speed less than the normal flow of traffic at the particular time and place shall ride as near to the right side of the right through lane as is safe except ~~((as may be appropriate))~~:

(a) While preparing to make or while making turning movements~~((or))~~ at an intersection or into a private road or driveway;

(b) When approaching an intersection where right turns are permitted and there is a dedicated right turn lane, in which case a person may operate a bicycle in this lane even if the operator does not intend to turn right;

(c) While overtaking and passing another bicycle or vehicle proceeding in the same direction; and

(d) When reasonably necessary to avoid unsafe conditions including, but not limited to, fixed or moving objects, parked or moving vehicles, bicyclists, pedestrians, animals, and surface hazards.

(2) A person operating a bicycle upon a roadway or highway other than a limited-access highway, which roadway or highway carries traffic in one direction only and has two or more marked traffic lanes, may ride as near to the left side of the left through lane as is safe.

(3) A person operating a bicycle upon a roadway may use the shoulder of the roadway or any specially designated bicycle lane (~~(if such exists)~~).

~~((2))~~ (4) When the operator of a bicycle is using the travel lane of a roadway with only one lane for traffic moving in the direction of travel and it is wide enough for a bicyclist and a vehicle to travel safely side-by-side within it, the bicycle operator shall operate far enough to the right to facilitate the movement of an overtaking vehicle unless other conditions make it unsafe to do so or unless the bicyclist is preparing to make a turning movement or while making a turning movement.

(5) Persons riding bicycles upon a roadway shall not ride more than two abreast except on paths or parts of roadways set aside for the exclusive use of bicycles.

Sec. 11. RCW 3.62.090 and 2004 c 15 s 5 are each amended to read as follows:

(1) There shall be assessed and collected in addition to any fines, forfeitures, or penalties assessed, other than for parking infractions, by all courts organized under Title 3 or 35 RCW a public safety and education assessment equal to seventy percent of such fines, forfeitures, or penalties, which shall be remitted as provided in chapters 3.46, 3.50, 3.62, and 35.20 RCW. The assessment required by this section shall not be suspended or waived by the court.

(2) There shall be assessed and collected in addition to any fines, forfeitures, or penalties assessed, other than for parking infractions and for fines levied under RCW 46.61.5055, and in addition to the public safety and education assessment required under subsection (1) of this section, by all courts organized under Title 3 or 35 RCW, an additional public safety and education assessment equal to fifty percent of the public safety and education assessment required under subsection (1) of this section, which shall be remitted to the state treasurer and deposited as provided in RCW 43.08.250. The additional assessment required by this subsection shall not be suspended or waived by the court.

(3) This section does not apply to the fee imposed under RCW 46.63.110(7), the penalty imposed under RCW 46.63.110(8), the additional fine imposed under RCW 46.61.110, 46.61.145, 46.61.180, 46.61.185, 46.61.190, and 46.61.205, or the penalty assessment imposed under RCW 10.99.080.

Sec. 12. RCW 2.68.040 and 1994 c 8 s 2 are each amended to read as follows:

(1) To support the judicial information system account provided for in RCW 2.68.020, the supreme court may provide by rule for an increase in fines, penalties, and assessments, and the increased amount shall be forwarded to the state treasurer for deposit in the account:

(a) Pursuant to the authority of RCW 46.63.110(~~((2))~~) (3), the sum of ten dollars to any penalty collected by a court pursuant to supreme court infraction rules for courts of limited jurisdiction;

(b) Pursuant to RCW 3.62.060, a mandatory appearance cost in the initial sum of ten dollars to be assessed on all defendants; and

(c) Pursuant to RCW 46.63.110(~~((5))~~) (6), a ten-dollar assessment for each account for which a person requests a time payment schedule.

(2) Notwithstanding a provision of law or rule to the contrary, the assessments provided for in this section may not be waived or suspended and

shall be immediately due and payable upon forfeiture, conviction, deferral of prosecution, or request for time payment, as each shall occur.

(3) The supreme court is requested to adjust these assessments for inflation.

(4) This section does not apply to the additional monetary fine under RCW 46.61.110, 46.61.145, 46.61.180, 46.61.185, 46.61.190, and 46.61.205.

Sec. 13. RCW 46.63.110 and 2012 c 82 s 1 are each amended to read as follows:

(1) A person found to have committed a traffic infraction shall be assessed a monetary penalty. No penalty may exceed two hundred and fifty dollars for each offense unless authorized by this chapter or title.

(2) The monetary penalty for a violation of (a) RCW 46.55.105(2) is two hundred fifty dollars for each offense; (b) RCW 46.61.210(1) is five hundred dollars for each offense. No penalty assessed under this subsection (2) may be reduced.

(3) The supreme court shall prescribe by rule a schedule of monetary penalties for designated traffic infractions. This rule shall also specify the conditions under which local courts may exercise discretion in assessing fines and penalties for traffic infractions. The legislature respectfully requests the supreme court to adjust this schedule every two years for inflation.

(4) There shall be a penalty of twenty-five dollars for failure to respond to a notice of traffic infraction except where the infraction relates to parking as defined by local law, ordinance, regulation, or resolution or failure to pay a monetary penalty imposed pursuant to this chapter. A local legislative body may set a monetary penalty not to exceed twenty-five dollars for failure to respond to a notice of traffic infraction relating to parking as defined by local law, ordinance, regulation, or resolution. The local court, whether a municipal, police, or district court, shall impose the monetary penalty set by the local legislative body.

(5) Monetary penalties provided for in chapter 46.70 RCW which are civil in nature and penalties which may be assessed for violations of chapter 46.44 RCW relating to size, weight, and load of motor vehicles are not subject to the limitation on the amount of monetary penalties which may be imposed pursuant to this chapter.

(6) Whenever a monetary penalty, fee, cost, assessment, or other monetary obligation is imposed by a court under this chapter, it is immediately payable and is enforceable as a civil judgment under Title 6 RCW. If the court determines, in its discretion, that a person is not able to pay a monetary obligation in full, and not more than one year has passed since the later of July 1, 2005, or the date the monetary obligation initially became due and payable, the court shall enter into a payment plan with the person, unless the person has previously been granted a payment plan with respect to the same monetary obligation, or unless the person is in noncompliance of any existing or prior payment plan, in which case the court may, at its discretion, implement a payment plan. If the court has notified the department that the person has failed to pay or comply and the person has subsequently entered into a payment plan and made an initial payment, the court shall notify the department that the infraction has been adjudicated, and the department shall rescind any suspension of the person's driver's license or driver's privilege based on failure to respond to that infraction. "Payment plan," as used in this section, means a plan that requires reasonable payments based on

the financial ability of the person to pay. The person may voluntarily pay an amount at any time in addition to the payments required under the payment plan.

(a) If a payment required to be made under the payment plan is delinquent or the person fails to complete a community restitution program on or before the time established under the payment plan, unless the court determines good cause therefor and adjusts the payment plan or the community restitution plan accordingly, the court may refer the unpaid monetary penalty, fee, cost, assessment, or other monetary obligation for civil enforcement until all monetary obligations, including those imposed under subsections (3) and (4) of this section, have been paid, and court authorized community restitution has been completed, or until the court has entered into a new time payment or community restitution agreement with the person. For those infractions subject to suspension under RCW 46.20.289, the court shall notify the department of the person's failure to meet the conditions of the plan, and the department shall suspend the person's driver's license or driving privileges.

(b) If a person has not entered into a payment plan with the court and has not paid the monetary obligation in full on or before the time established for payment, the court may refer the unpaid monetary penalty, fee, cost, assessment, or other monetary obligation to a collections agency until all monetary obligations have been paid, including those imposed under subsections (3) and (4) of this section, or until the person has entered into a payment plan under this section. For those infractions subject to suspension under RCW 46.20.289, the court shall notify the department of the person's delinquency, and the department shall suspend the person's driver's license or driving privileges.

(c) If the payment plan is to be administered by the court, the court may assess the person a reasonable administrative fee to be wholly retained by the city or county with jurisdiction. The administrative fee shall not exceed ten dollars per infraction or twenty-five dollars per payment plan, whichever is less.

(d) Nothing in this section precludes a court from contracting with outside entities to administer its payment plan system. When outside entities are used for the administration of a payment plan, the court may assess the person a reasonable fee for such administrative services, which fee may be calculated on a periodic, percentage, or other basis.

(e) If a court authorized community restitution program for offenders is available in the jurisdiction, the court may allow conversion of all or part of the monetary obligations due under this section to court authorized community restitution in lieu of time payments if the person is unable to make reasonable time payments.

(7) In addition to any other penalties imposed under this section and not subject to the limitation of subsection (1) of this section, a person found to have committed a traffic infraction shall be assessed:

(a) A fee of five dollars per infraction. Under no circumstances shall this fee be reduced or waived. Revenue from this fee shall be forwarded to the state treasurer for deposit in the emergency medical services and trauma care system trust account under RCW 70.168.040;

(b) A fee of ten dollars per infraction. Under no circumstances shall this fee be reduced or waived. Revenue from this fee shall be forwarded to the state treasurer for deposit in the Washington auto theft prevention authority account; and

(c) A fee of two dollars per infraction. Revenue from this fee shall be forwarded to the state treasurer for deposit in the traumatic brain injury account established in RCW 74.31.060.

(8)(a) In addition to any other penalties imposed under this section and not subject to the limitation of subsection (1) of this section, a person found to have committed a traffic infraction other than of RCW 46.61.527 or 46.61.212 shall be assessed an additional penalty of twenty dollars. The court may not reduce, waive, or suspend the additional penalty unless the court finds the offender to be indigent. If a court authorized community restitution program for offenders is available in the jurisdiction, the court shall allow offenders to offset all or a part of the penalty due under this subsection (8) by participation in the court authorized community restitution program.

(b) Eight dollars and fifty cents of the additional penalty under (a) of this subsection shall be remitted to the state treasurer. The remaining revenue from the additional penalty must be remitted under chapters 2.08, 3.46, 3.50, 3.62, 10.82, and 35.20 RCW. Money remitted under this subsection to the state treasurer must be deposited in the state general fund. The balance of the revenue received by the county or city treasurer under this subsection must be deposited into the county or city current expense fund. Moneys retained by the city or county under this subsection shall constitute reimbursement for any liabilities under RCW 43.135.060.

(9) If a legal proceeding, such as garnishment, has commenced to collect any delinquent amount owed by the person for any penalty imposed by the court under this section, the court may, at its discretion, enter into a payment plan.

(10) The monetary penalty for violating RCW 46.37.395 is: (a) Two hundred fifty dollars for the first violation; (b) five hundred dollars for the second violation; and (c) seven hundred fifty dollars for each violation thereafter.

(11) The additional monetary fine for a violation of RCW 46.61.110, 46.61.145, 46.61.180, 46.61.185, 46.61.190, and 46.61.205 is not subject to assessments or fees provided under this section.

Sec. 14. RCW 43.84.092 and 2018 c 287 s 7, 2018 c 275 s 10, and 2018 c 203 s 14 are each reenacted and amended to read as follows:

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

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

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

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

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The abandoned recreational vehicle disposal account, the aeronautics account, the aircraft search and rescue account, the Alaskan Way viaduct replacement project account, the brownfield redevelopment trust fund account, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Chehalis basin account, the cleanup settlement account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the community forest trust account, the connecting Washington account, the county arterial preservation account, the county criminal justice assistance account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of licensing tuition recovery trust fund, the department of retirement systems expense account, the developmental disabilities community trust account, the diesel idle reduction account, the drinking water assistance account, the drinking water assistance administrative account, the early learning facilities development account, the early learning facilities revolving account, the Eastern Washington University capital projects account, the Interstate 405 express toll lanes operations account, the education construction fund, the education legacy trust account, the election account, the electric vehicle charging infrastructure account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the federal forest revolving account, the ferry bond retirement fund, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the public health services account, the high capacity transportation account, the state higher education construction account, the higher education construction account, the highway bond retirement fund, the highway infrastructure account, the highway safety fund, the high occupancy toll lanes operations account, the hospital safety net assessment fund, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the mobile home park relocation fund, the

money-purchase retirement savings administrative account, the money-purchase retirement savings principal account, the motor vehicle fund, the motorcycle safety education account, the multimodal transportation account, the multiuse roadway safety account, the municipal criminal justice assistance account, the natural resources deposit account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pollution liability insurance agency underground storage tank revolving account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account beginning July 1, 2004, the public health supplemental account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puget Sound taxpayer accountability account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, the sexual assault prevention and response account, the site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state route number 520 civil penalties account, the state route number 520 corridor account, the state wildlife account, the statewide tourism marketing account, the student achievement council tuition recovery trust fund, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the toll facility bond retirement account, the transportation 2003 account (nickel account), the transportation equipment fund, the transportation future funding program account, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the tuition recovery trust fund, the University of Washington bond retirement fund, the University of Washington building account, the volunteer firefighters' and reserve officers' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the vulnerable roadway user education account, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving administration account, the water pollution control revolving fund, the Western Washington University capital projects account, the Yakima integrated plan implementation account, the Yakima integrated plan

implementation revenue recovery account, and the Yakima integrated plan implementation taxable bond account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, the state university permanent fund, and the state reclamation revolving account shall be allocated to their respective beneficiary accounts.

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

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

NEW SECTION. Sec. 15. This act takes effect January 1, 2020.

Passed by the Senate April 22, 2019.

Passed by the House April 9, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 404

[Substitute Senate Bill 5748]

MILITARY INSTALLATIONS--INCOMPATIBLE DEVELOPMENT--ACCOUNT

AN ACT Relating to creating an account to support necessary infrastructure nearby military installations; and adding new sections to chapter 43.330 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 43.330 RCW to read as follows:

(1) The defense community compatibility account is created in the state treasury. Revenues to the account consist of appropriations by the legislature, private contributions, and all other sources deposited in the account.

(2)(a) Expenditures from the account may only be used for grants to local governments or entities who have entered into an agreement with a military installation in the state under the United States department of defense readiness and environmental protection integration program for purposes of the programs established in subsection (3) of this section, including administrative expenses. Priority must be given for grant applications accompanied by express support from nonprofit community or neighborhood-based organizations, public development authorities, federally recognized Indian tribes in the state, or other community partners. Only the director or the director's designee, may authorize expenditures. In order for the director or the director's designee to authorize an expenditure for the purpose identified in subsection (3) of this section, both federal and applicant funds must be committed to the same purposes or project as the state expenditure.

(b) An applicant must submit an application to the department in order to be eligible for funding under this subsection, and the department may not expend

money on a project for which an applicant has not applied to the department to carry out the project.

(3)(a) The department may expend moneys from the account to provide state funds for projects identified by applicants to address incompatible development connected to Washington state military installations. For purposes of this section, "incompatible development" includes land development and military operations that impact the economy, environment, or quality of life opportunities for local communities.

(b) The department must evaluate and rank applications using objective criteria such as a community cost-benefit analysis, must consider recommendations from a citizens advisory commission comprised of representatives of community stakeholders impacted by military installations or their operations, must hold public hearings at least ninety days prior to any funding decision, and may consider the degree to which each project is compatible with the criteria established in the United States department of defense's readiness and environmental protection integration program.

(c) Eligible projects may include:

(i) Acquisition of real property or real property interests to eliminate an existing incompatible use;

(ii) Projects to jointly assist in the recovery or protection of endangered species dependent on military installation property for habitat;

(iii) Projects or programs to increase the availability of housing affordable to enlisted military personnel and nonmilitary residents in the local community;

(iv) Projects to retrofit existing uses to increase their compatibility with existing or future military operations;

(v) Projects to enable local communities heavily dependent on a nearby military installation to diversify the local economy so as to reduce the economic dependence on the military base;

(vi) Projects that aid communities to replace jobs lost in the event of a reduction of the military presence; and

(vii) Projects that improve or enhance aspects of the local economy, environment, or quality of life impacted by the presence of military activities.

(4) The department may adopt rules to implement this section.

NEW SECTION. Sec. 2. A new section is added to chapter 43.330 RCW to read as follows:

(1) The department must produce a biennial report identifying a list of projects to address incompatible developments near military installations.

(a) The list must include a description of each project, the estimated cost of the project, the amount of recommended state funding, and the amount of any federal or local funds documented to be available to be used for the project.

(b) Projects on the list must be prioritized with consideration given to:

(i) The recommendations of the recent United States department of defense base realignment and closure (BRAC) processes, joint land use studies, or other federally initiated land use processes; and

(ii) Whether a branch of the United States armed forces has identified the project as increasing the viability of military installations for current or future missions.

(c) The department may consult with the commanders of United States military installations in Washington to understand impacts and identify the viability of community identified projects to reduce incompatibility.

(2) The department must submit the report to appropriate committees of the house of representatives and the senate, including the joint committee on veterans' and military affairs and the house of representatives capital budget committee, by January 1, 2020, and every two years thereafter.

Passed by the Senate April 26, 2019.

Passed by the House April 15, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 405

[Senate Bill 5817]

SENIOR CHIROPRACTIC STUDENTS--ADMINISTRATION OF CHIROPRACTIC ADJUSTMENTS

AN ACT Relating to senior students in accredited schools of chiropractic; and amending RCW 18.25.190.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 18.25.190 and 2000 c 171 s 8 are each amended to read as follows:

Nothing in this chapter shall be construed to prohibit:

(1) The temporary practice in this state of chiropractic by any chiropractor licensed by another state, territory, or country in which he or she resides. However, the chiropractor shall not establish a practice open to the general public and shall not engage in temporary practice under this section for a period longer than thirty days. The chiropractor shall register his or her intention to engage in the temporary practice of chiropractic in this state with the commission before engaging in the practice of chiropractic, and shall agree to be bound by such conditions as may be prescribed by rule by the commission.

(2) The practice of chiropractic(~~except the administration of a chiropractic adjustment,~~) by a person who is a regular senior student in an accredited school of chiropractic approved by the commission if the practice is part of a regular course of instruction offered by the school and the student is under the direct supervision and control of a chiropractor duly licensed pursuant to this chapter and approved by the commission. A senior student practicing chiropractic under this subsection must pass an open book written jurisprudence examination approved by the commission prior to administering a chiropractic adjustment. The commission may adopt rules requiring the student and his or her supervising licensed chiropractor to file information with the commission regarding the practice of chiropractic under this subsection, including the name and contact information of the student, the name and contact information of the supervising licensed chiropractor, and the location where the student will be practicing.

(3) The practice of chiropractic by a person serving a period of postgraduate chiropractic training in a program of clinical chiropractic training sponsored by a school of chiropractic accredited in this state if the practice is part of his or her duties as a clinical postgraduate trainee and the trainee is under the direct

supervision and control of a chiropractor duly licensed pursuant to this chapter and approved by the commission.

(4) The practice of chiropractic by a person who is eligible and has applied to take the next available examination for licensing offered by the commission, except that the unlicensed chiropractor must provide all services under the direct control and supervision of a licensed chiropractor approved by the commission. The unlicensed chiropractor may continue to practice as provided by this subsection until the results of the next available examination are published, but in no case for a period longer than six months. The commission shall adopt rules necessary to effectuate the intent of this subsection.

Any provision of chiropractic services by any individual under subsection (1), (2), (3), or (4) of this section shall be subject to the jurisdiction of the commission as provided in chapter 18.130 RCW.

Passed by the Senate April 26, 2019.

Passed by the House April 4, 2019.

Approved by the Governor May 13, 2019.

Filed in Office of Secretary of State May 16, 2019.

CHAPTER 406

[Engrossed Second Substitute House Bill 2158]

WORKFORCE EDUCATION INVESTMENT

AN ACT Relating to creating a workforce education investment to train Washington students for Washington jobs; amending RCW 28B.92.030, 43.88C.010, 28B.10.790, 28B.12.030, 28B.92.040, 28B.92.065, 28B.15.065, 28B.15.740, 28B.15.760, 28B.15.762, 28B.15.820, 28B.116.010, 28A.180.120, 28B.76.502, 28B.76.525, 28B.76.526, 28B.76.540, 28B.76.699, 28B.77.020, 28B.117.020, 28B.118.090, 28B.133.010, 28B.133.020, 28C.18.166, 28C.18.060, 43.216.135, 28B.115.070, and 28B.15.621; reenacting and amending RCW 28B.108.010, 28B.118.010, 28B.145.005, 28B.145.010, 28B.145.020, 28B.145.030, 28B.145.040, and 28B.145.090; adding a new section to chapter 43.79 RCW; adding new sections to chapter 28B.92 RCW; adding a new section to chapter 28A.700 RCW; adding a new section to chapter 28B.145 RCW; adding a new section to chapter 28B.50 RCW; adding a new section to chapter 82.04 RCW; adding a new chapter to Title 28B RCW; adding a new chapter to Title 28C RCW; creating new sections; repealing RCW 28B.92.010, 28B.92.020, 28B.92.050, 28B.92.060, 28B.92.080, 28B.92.082, 28B.92.084, 28B.97.010, 28B.97.020, 28B.119.005, 28B.119.010, 28B.119.020, 28B.119.030, 28B.119.040, 28B.119.050, and 28B.119.900; making appropriations; providing an effective date; providing a contingent effective date; and providing expiration dates.

Be it enacted by the Legislature of the State of Washington:

PART I

LEGISLATIVE INTENT

NEW SECTION. Sec. 1. The legislature finds it is essential that Washington residents have the opportunity to succeed in a competitive global economy by investing in Washington students for Washington jobs. The legislature finds that Washington state is expected to have seven hundred forty thousand job openings by 2021 and that most of these projected openings will be filled by workers with a postsecondary credential, such as a degree, apprenticeship, or certificate. The legislature finds that the state must focus on educational opportunities with targeted investments to keep tuition low and expand capacity for in-state students. The legislature also finds that currently only forty percent of Washington's high school students earn such a credential by

age twenty-six, when seventy percent is the goal set by industry and business leaders intent on hiring Washington-educated workers. The legislature finds that Washington state already has several successful programs that help Washington students train for Washington jobs, including the state need grant, the guided pathways initiative at the community and technical colleges, and degree and apprenticeship programs in high-demand fields, such as computer science, engineering, nursing, and more. The legislature further finds that providing additional resources for workforce investments is critical in maintaining Washington's competitiveness in the global economy by ensuring businesses are able to hire Washington talent. Therefore, the legislature intends to create the new workforce education investment account, supported by professions that depend on higher education, that will expand existing investments to help people earn the credentials essential to obtain family-wage jobs and fill the seven hundred forty thousand jobs of the future.

PART II

WORKFORCE EDUCATION INVESTMENT ACCOUNT

NEW SECTION. **Sec. 2.** A new section is added to chapter 43.79 RCW to read as follows:

(1) The workforce education investment account is created in the state treasury. All revenues from the workforce investment surcharges created in section 74 of this act must be deposited directly into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for higher education programs, higher education operations, higher education compensation, and state-funded student aid programs. For the 2019-2021 biennium, expenditures from the account may be used for kindergarten through twelfth grade if used for career connected learning as provided for in this act.

(2) Expenditures from the workforce education investment account must be used to supplement, not supplant, other federal, state, and local funding for higher education.

PART III

WORKFORCE EDUCATION INVESTMENT ACCOUNTABILITY AND OVERSIGHT BOARD

NEW SECTION. **Sec. 3.** (1) The workforce education investment accountability and oversight board is established. The board consists of seventeen members, as provided in this subsection:

(a) Four members of the legislature consisting of the chairs and ranking minority members of the respective higher education and workforce development committees of the senate and house of representatives, ex officio; and

(b) The following members appointed by the governor with the consent of the senate:

(i) Five members representing the businesses described in section 74 of this act;

(ii) Two members representing labor organizations, one of which must have expertise in registered apprenticeships and training a high-demand workforce and one of which must represent faculty at the four-year institutions of higher education;

(iii) Two members representing the institutions of higher education, as defined in RCW 28B.10.016, one of which must be from the four-year sector and one of which must be from the community and technical college sector;

(iv) Two members representing students, one of which must be a community and technical college student;

(v) One member representing the independent, not-for-profit higher education institutions; and

(vi) One member representing the student achievement council, established under chapter 28B.77 RCW.

(2) Except for ex officio and student members, board members shall hold their offices for a term of three years until their successors are appointed. Student board members shall hold one-year terms.

(3) The board shall have two cochairs. One cochair shall be one of the chairs of the respective higher education and workforce development committees of the legislature and the other cochair shall be one of the board members representing the businesses described in section 74 of this act. The cochairs shall hold the position for a one-year term. The board members shall elect the cochairs annually.

(4) Nine voting members of the board constitute a quorum for the transaction of business. The board shall meet four times a year.

(5) Staff support for the board shall be provided by the workforce training and education coordinating board established in chapter 28C.18 RCW.

(6) The purposes of the board are to:

(a) Provide guidance and recommendations to the legislature on what workforce education priorities should be funded with the workforce education investment account; and

(b) Ensure accountability that the workforce education investments funded with the workforce education investment account are producing the intended results and are effectively increasing student success and career readiness, such as by increasing retention, completion, and job placement rates.

(7) The board shall consult data from the education data center established under RCW 43.41.400 and the workforce training and education coordinating board established under chapter 28C.18 RCW when reviewing and determining whether workforce education investments funded from the workforce education investment account are effectively increasing student success and career readiness.

(8) The board shall report its recommendations to the appropriate committees of the legislature by August 1st of each year.

PART IV WORKFORCE EDUCATION INVESTMENTS

A. WORKFORCE EDUCATION INVESTMENT APPROPRIATIONS

NEW SECTION. **Sec. 4.** The appropriations in this section are provided to the Washington student achievement council and are subject to the following conditions and limitations:

(1) \$39,735,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$99,377,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce

education investment account provided solely for the Washington college grant program under chapter 28B.92 RCW to fund:

(a) The backlog of students eligible for a grant, but who did not receive a grant due to funding limitations in previous years, with one-third of the backlog funded in fiscal year 2020;

(b) The maximum Washington college grant, as defined in RCW 28B.92.030, increase to full tuition and fees; and

(c) Grants for apprenticeship programs.

(2) \$21,218,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely for expanding the income eligibility threshold for the Washington college grant program as described in section 20 of this act.

(3) \$580,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$575,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely for the student achievement council to increase the number of high school seniors and college bound scholars that complete the free application for federal student aid and the Washington application for state financial aid through digital engagement tools, expanded training, and increased events at high schools. The student achievement council must report back to the appropriate committees of the legislature by December 1, 2020, on the effectiveness of the tools and increased events on increasing the number of financial aid applications completed.

(4) \$1,000,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$1,000,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely for the future teachers conditional scholarship and loan repayment program established in chapter 28B.102 RCW.

(5) \$1,098,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$1,097,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely for the Washington student loan refinancing program created in section 51 of this act.

NEW SECTION. Sec. 5. The appropriations in this section are provided to the state board for community and technical colleges and are subject to the following conditions and limitations:

(1) \$6,220,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$7,610,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely for college operating costs, including compensation and central services, in recognition that these costs exceed estimated increases in undergraduate operating fee revenue as a result of RCW 28B.15.067.

(2) \$6,220,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment

account and \$7,610,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely for employee compensation, academic program enhancements, student support services, and other institutional priorities that maintain a quality academic experience for Washington students.

(3)(a) \$2,000,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$30,124,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely to implement guided pathways at each of the state's community and technical colleges by academic year 2020-21. Guided pathways is a research-based approach that provides clear, structured, educational experiences for students with four elements: Clarify paths to students' end goals, help students choose and enter a pathway, help students stay on path, and ensure that students are learning.

(b) Guided pathways implementation includes:

(i) Increased student support services, including advising and counseling;

(ii) Faculty teaching and planning time to redesign curriculum, develop meta-majors, and engage in interdepartmental planning on pathways;

(iii) Data analytics and student tracking technology to help advisors and students address challenges that may impede a student's progress; and

(iv) Research and evaluation to ensure reforms lead to improvements for all students.

(c) The state board for community and technical colleges shall report to the legislature on an annual basis beginning December 1, 2020, on the impacts of guided pathways on postsecondary outcomes, including credential completion, transfer pathways, credit accumulation, grade point averages, and persistence.

(4) \$20,400,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$20,400,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely to increase nurse educator salaries.

(5) \$20,000,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely for increasing high-demand program faculty salaries, including but not limited to nursing educators, other health-related professions, information technology, computer science, and trades, including welding. Contract negotiations relating to salary increases must consider, and to the extent practicable establish, salaries that are comparable to industry professionals, and no less than the average salary identified by the college and university professional association for human resources or a similar organization.

(6) \$1,000,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$2,000,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely for enrollments in new career launch programs as defined in section 57 of this act.

(7) \$500,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account provided solely for purchase of equipment for a regional training facility in Bothell to offer a simulated good manufacturing practice experience in partnership with a community college. The regional training facility must be located on the campus of a manufacturer of protein-based therapeutics. The state board for community and technical colleges must use a written agreement to ensure the equipment is used in a way that provides adequate public benefit.

NEW SECTION. Sec. 6. The appropriations in this section are provided to the University of Washington and are subject to the following conditions and limitations:

(1) \$7,008,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$11,415,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely for institution operating costs, including compensation and central services, in recognition that these costs exceed estimated increases in undergraduate operating fee revenue as a result of RCW 28B.15.067.

(2) \$2,577,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$4,000,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely for employee compensation, academic program enhancements, student support services, and other institutional priorities that maintain a quality academic experience for Washington students.

(3) \$2,000,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$4,000,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely to increase degree production in the college of engineering at the Seattle campus.

(4) \$500,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$500,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely to maintain the Washington state academic redshirt program.

(5) \$150,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$1,350,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely to add degree capacity and increase undergraduate enrollments per year by two hundred ten in the engineering, mathematics, and science programs to support the biomedical innovation partnership zone at the Bothell campus.

(6) \$177,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$1,634,000, or as much thereof as may be necessary, is appropriated

for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely to establish bachelor of science programs in mechanical and civil engineering, enrolling one hundred eighty students per year by fiscal year 2025, to support increased student and local employer demand for graduates in these fields at the Tacoma campus.

NEW SECTION. Sec. 7. The appropriations in this section are provided to Washington State University and are subject to the following conditions and limitations:

(1) \$1,913,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$3,440,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely for institution operating costs, including compensation and central services, in recognition that these costs exceed estimated increases in undergraduate operating fee revenue as a result of RCW 28B.15.067.

(2) \$3,600,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$7,200,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely to complete funding for four classes of sixty students each at the Elson S. Floyd college of medicine, allowing previously funded cohorts of first and second year students to complete their education.

(3) \$1,200,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$2,400,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely to increase the cohort size by twenty students for the Elson S. Floyd college of medicine in fall 2019 and fall 2020 for a total of eighty students per cohort, thereby increasing the number of physicians trained and serving in Washington's workforce.

NEW SECTION. Sec. 8. The appropriations in this section are provided to Central Washington University and are subject to the following conditions and limitations:

(1) \$701,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$1,118,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely for institution operating costs, including compensation and central services, in recognition that these costs exceed estimated increases in undergraduate operating fee revenue as a result of RCW 28B.15.067.

(2) \$525,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$525,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely to increase the number of certified K-12 teachers. Of this, per year, \$400,000 must be used towards the grow-your-own

high school teacher academies in communities that face chronic teacher shortages and \$125,000 must be used to:

(a) Expand alternative routes to certification options by targeting conditional or emergency teachers, as well as paraeducators, and encourage those individuals to gain Washington state certification; and

(b) Target high-demand endorsement areas, such as special education and elementary education.

(3) \$368,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$368,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely for increasing mental health counseling at Central Washington University.

NEW SECTION. Sec. 9. The appropriations in this section are provided to Western Washington University and are subject to the following conditions and limitations:

(1) \$689,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$1,128,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely for institution operating costs, including compensation and central services, in recognition that these costs exceed estimated increases in undergraduate operating fee revenue as a result of RCW 28B.15.067.

(2) \$1,713,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$1,713,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely to increase access to science, technology, engineering, and mathematic degrees, which may include expanding prehealth care capacity, creating an energy science and technology bachelor of science degree, and expanding electrical engineering degrees.

NEW SECTION. Sec. 10. The appropriations in this section are provided to The Evergreen State College and are subject to the following conditions and limitations:

(1) \$757,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$1,318,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely for institution operating costs, including compensation and central services, in recognition that these costs exceed estimated increases in undergraduate operating fee revenue as a result of RCW 28B.15.067.

(2) \$335,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$335,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education

investment account provided solely to increase enrollment capacity by seventy-five students in the psychology program by hiring additional psychology faculty.

(3) \$280,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$300,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely to increase student success by establishing a new student precollege immersion program and The Evergreen first-year experience program.

NEW SECTION. Sec. 11. The appropriations in this section are provided to Eastern Washington University and are subject to the following conditions and limitations:

(1) \$677,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$1,137,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely for institution operating costs, including compensation and central services, in recognition that these costs exceed estimated increases in undergraduate operating fee revenue as a result of RCW 28B.15.067.

(2) \$1,318,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$1,318,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely to create a computer engineering degree in the college of science, technology, engineering, and math with an average enrollment per year of one hundred thirty-three students at full implementation.

NEW SECTION. Sec. 12. \$2,450,000, or as much thereof as may be necessary, is appropriated to the employment security department for the fiscal year ending June 30, 2020, from the workforce education investment account and \$2,950,000, or as much thereof as may be necessary, is appropriated to the employment security department for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely for the career connected learning grant program established in section 56 of this act.

NEW SECTION. Sec. 13. The appropriations in this section are provided to the office of the superintendent of public instruction and are subject to the following conditions and limitations:

(1) \$425,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$425,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely for expanding career connected learning as defined in section 57 of this act.

(2) \$158,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$480,000, or as much the thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce

education investment account provided solely for increasing the funding per full-time equivalent for career launch programs as described in section 60 of this act.

(3) \$750,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$750,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely for Marysville school district to collaborate with Arlington school district, Everett Community College, other local school districts, local labor unions, local Washington state apprenticeship and training council registered apprenticeship programs, and local industry groups to develop a regional apprenticeship pathways pilot program. The pilot program must seek to:

(a) Establish an education-based apprenticeship preparation program recognized by the Washington state apprenticeship and training council that prepares individuals for registered apprenticeships within the building and construction trades;

(b) Provide dual credit for participants by meeting high school graduation requirements and providing opportunities for credit leading to a college credential; and

(c) Provide participants with preferred or direct entry into a state registered apprenticeship program in the building and construction trades.

NEW SECTION. Sec. 14. \$50,000, or as much thereof as may be necessary, is appropriated to the office of financial management for the fiscal year ending June 30, 2020, from the workforce education investment account and \$50,000, or as much thereof as may be necessary, is appropriated to the office of financial management for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely for implementing career connected learning.

NEW SECTION. Sec. 15. \$4,241,000, or as much thereof as may be necessary, is appropriated to the department of children, youth, and families for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely for eliminating the work requirement under the working connections child care program for single parents who are pursuing a vocational education full-time at a community, technical, or tribal college as set forth under section 70 of this act.

NEW SECTION. Sec. 16. The appropriations in this section are provided to the workforce training and education coordinating board and are subject to the following conditions and limitations: \$75,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2020, from the workforce education investment account and \$75,000, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely for staffing costs for the workforce education investment accountability and oversight board established in section 3 of this act.

NEW SECTION. Sec. 17. \$166,000, or as much thereof as may be necessary, is appropriated to the caseload forecast council for the fiscal year ending June 30, 2020, from the workforce education investment account and \$166,000, or as much thereof as may be necessary, is appropriated to the

caseload forecast council for the fiscal year ending June 30, 2021, from the workforce education investment account provided solely for forecasting the caseload for the Washington college grant program.

B. WORKFORCE EDUCATION INVESTMENT POLICIES

1. CREATING THE WASHINGTON COLLEGE GRANT PROGRAM TO REPLACE THE STATE NEED GRANT PROGRAM

NEW SECTION. **Sec. 18.** A new section is added to chapter 28B.92 RCW to read as follows:

(1) The legislature finds that individuals with a postsecondary credential have a greater chance of earning a wage that can support themselves and their families than if they do not obtain a postsecondary credential. At the same time, Washington employers are in need of many more individuals who possess postsecondary qualifications. Access to postsecondary opportunities are vital to ensure that more Washington high school graduates and working adults can enter and complete a postsecondary program and compete for the job opportunities available in the state.

(2) The legislature further finds that a statewide free college program, for students who demonstrate financial need as defined in section 20 of this act, is necessary to significantly reduce the financial costs of obtaining a postsecondary credential. The Washington college grant program is intended to increase access to postsecondary opportunities for Washington residents.

NEW SECTION. **Sec. 19.** A new section is added to chapter 28B.92 RCW to read as follows:

(1) The Washington college grant program is created to provide a statewide free college program for eligible participants and greater access to postsecondary education for Washington residents. The Washington college grant program is intended to increase the number of high school graduates and adults that can attain a postsecondary credential and provide them with the qualifications needed to compete for job opportunities in Washington.

(2) The office shall implement and administer the Washington college grant program and is authorized to establish rules necessary for implementation of the program.

(3) The legislature shall appropriate funding for the Washington college grant program. Allocations must be made on the basis of estimated eligible participants enrolled in eligible institutions of higher education or apprenticeship programs. All eligible students are entitled to a Washington college grant beginning in academic year 2020-21.

(4) The office shall award Washington college grants to all eligible students beginning in academic year 2020-21.

(5) To be eligible for the Washington college grant, students must meet the following requirements:

(a) Demonstrate financial need under section 20 of this act;

(b)(i) Be enrolled or accepted for enrollment for at least three quarter credits or the equivalent semester credits at an institution of higher education in Washington as defined in RCW 28B.92.030; or

(ii) Be enrolled in a registered apprenticeship program approved under chapter 49.04 RCW;

(c) Be a resident student as defined in RCW 28B.15.012(2) (a) through (e);

(d) File an annual application for financial aid as approved by the office; and

(e) Must not have earned a baccalaureate degree or higher from a postsecondary institution.

(6) Washington college grant eligibility may not extend beyond five years or one hundred twenty-five percent of the published length of the program in which the student is enrolled or the credit or clock-hour equivalent.

(7) Institutional aid administrators shall determine whether a student eligible for the Washington college grant in a given academic year may remain eligible for the ensuing year if the student's family income increases by no more than three percent.

(8) Qualifications for receipt and renewal include maintaining satisfactory academic progress toward completion of an eligible program as determined by the office and established in rule.

(9) Should a recipient terminate his or her enrollment for any reason during the academic year, the unused portion of the grant shall be returned to the state educational grant fund by the institution of higher education according to the institution of higher education's policy for issuing refunds, except as provided in RCW 28B.92.070.

(10) An eligible student enrolled on a part-time basis shall receive a prorated portion of the Washington college grant for any academic period in which he or she is enrolled on a part-time basis.

(11) The Washington college grant is intended to be used to meet the costs of postsecondary education for students with financial need. The student shall be awarded all need-based financial aid for which the student qualifies as determined by the institution.

(12) Students and participating institutions of higher education shall comply with all the rules adopted by the council for the administration of this chapter.

NEW SECTION. Sec. 20. A new section is added to chapter 28B.92 RCW to read as follows:

In addition to other eligibility requirements outlined in this chapter, students who demonstrate financial need are eligible to receive the Washington college grant. Financial need is as follows:

(1) Until academic year 2020-21, students with family incomes between zero and fifty percent of the state median family income, adjusted for family size, shall receive the maximum Washington college grant as defined in RCW 28B.92.030. Grants for students with incomes between fifty-one and seventy percent of the state median family income, adjusted for family size, shall be prorated at the following percentages of the maximum Washington college grant amount:

(a) Seventy percent for students with family incomes between fifty-one and fifty-five percent of the state median family income;

(b) Sixty-five percent for students with family incomes between fifty-six and sixty percent of the state median family income;

(c) Sixty percent for students with family incomes between sixty-one and sixty-five percent of the state median family income; and

(d) Fifty percent for students with family incomes between sixty-six and seventy percent of the state median family income.

(2) Beginning with academic year 2020-21, students with family incomes between zero and fifty-five percent of the state median family income, adjusted for family size, shall receive the maximum Washington college grant as defined in RCW 28B.92.030. Grants for students with incomes between fifty-six and one hundred percent of the state median family income, adjusted for family size, shall be prorated at the following percentages of the maximum Washington college grant amount:

(a) Seventy percent for students with family incomes between fifty-six and sixty percent of the state median family income;

(b) Sixty percent for students with family incomes between sixty-one and sixty-five percent of the state median family income;

(c) Fifty percent for students with family incomes between sixty-six and seventy percent of the state median family income;

(d) Twenty-four and one-half percent for students with family incomes between seventy-one and seventy-five percent of the state median family income; and

(e) Ten percent for students with family incomes between seventy-six and one hundred percent of the state median family income.

Sec. 21. RCW 28B.92.030 and 2013 c 248 s 2 are each amended to read as follows:

As used in this chapter:

(1) "Council" means the student achievement council.

(2) ~~("Disadvantaged student" means a posthigh school student who by reason of adverse cultural, educational, environmental, experiential, familial or other circumstances is unable to qualify for enrollment as a full-time student in an institution of higher education, who would otherwise qualify as a needy student, and who is attending an institution of higher education under an established program designed to qualify the student for enrollment as a full-time student.~~

~~(3))~~ "Financial aid" means either loans ((and/or)), grants, or both, to ~~((needy))~~ students who demonstrate financial need enrolled or accepted for enrollment as a student at institutions of higher education.

(3) "Financial need" means a demonstrated financial inability to bear the total cost of education as directed in rule by the office.

(4) "Institution" or "institutions of higher education" means:

(a) Any public university, college, community college, or technical college operated by the state of Washington or any political subdivision thereof; or

(b) Any other university, college, school, or institute in the state of Washington offering instruction beyond the high school level that is a member institution of an accrediting association recognized by rule of the council for the purposes of this section and that agrees to and complies with program rules adopted pursuant to RCW 28B.92.150. However, any institution, branch, extension or facility operating within the state of Washington that is affiliated with an institution operating in another state must be:

(i) A separately accredited member institution of any such accrediting association;

(ii) A branch of a member institution of an accrediting association recognized by rule of the council for purposes of this section, that is eligible for federal student financial aid assistance and has operated as a nonprofit college or

university delivering on-site classroom instruction for a minimum of twenty consecutive years within the state of Washington, and has an annual enrollment of at least seven hundred full-time equivalent students; ((or))

(iii) A nonprofit institution recognized by the state of Washington as provided in RCW 28B.77.240; or

(iv) An approved apprenticeship program under chapter 49.04 RCW.

~~(5) ("Needy student" means a posthigh school student of an institution of higher education who demonstrates to the office the financial inability, either through the student's parents, family and/or personally, to meet the total cost of board, room, books, and tuition and incidental fees for any semester or quarter. "Needy student" also means an opportunity internship graduate as defined by RCW 28C.18.162 who enrolls in a postsecondary program of study as defined in RCW 28C.18.162 within one year of high school graduation) "Maximum Washington college grant":~~

(a) For students attending two or four-year institutions of higher education as defined in RCW 28B.10.016, is tuition and estimated fees for fifteen quarter credit hours or the equivalent, as determined by the office, including operating fees, building fees, and services and activities fees.

(b) For students attending private four-year not-for-profit institutions of higher education in Washington, in the 2019-20 academic year, is nine thousand seven hundred thirty-nine dollars and may increase each year afterwards by no more than the tuition growth factor.

(c) For students attending two-year private not-for-profit institutions of higher education in Washington, in the 2019-20 academic year, is three thousand six hundred ninety-four dollars and may increase each year afterwards by no more than the tuition growth factor.

(d) For students attending four-year private for-profit institutions of higher education in Washington, in the 2019-20 academic year, is eight thousand five hundred seventeen dollars and may increase each year afterwards by no more than the tuition growth factor.

(e) For students attending two-year private for-profit institutions of higher education in Washington, in the 2019-20 academic year, is two thousand eight hundred twenty-three dollars and may increase each year afterwards by no more than the tuition growth factor.

(f) For students attending Western Governors University-Washington, as established in RCW 28B.77.240, in the 2019-20 academic year, is five thousand six hundred nineteen dollars and may increase each year afterwards by no more than the tuition growth factor.

(g) For students attending approved apprenticeship programs, is tuition and fees, as determined by the office, in addition to required program supplies and equipment.

(6) "Office" means the office of student financial assistance.

~~(7) ("Placebound student" means a student who (a) is unable to complete a college program because of family or employment commitments, health concerns, monetary inability, or other similar factors; and (b) may be influenced by the receipt of an enhanced student financial aid award to complete a baccalaureate degree at an eligible institution) "Tuition growth factor" means an increase of no more than the average annual percentage growth rate of the~~

median hourly wage for Washington for the previous fourteen years as the wage is determined by the federal bureau of labor statistics.

NEW SECTION. Sec. 22. A new section is added to chapter 28B.92 RCW to read as follows:

(1) In order to be eligible for state student financial aid programs, postsecondary institutions shall submit student-level data to the education data center established in RCW 43.41.400 in accordance with RCW 28B.77.090 for the purposes of legislatively authorized research and evaluation of state postsecondary student aid programs.

(2) The education data center shall determine the appropriate student-level data each postsecondary institution shall report in order to meet the state goals for research and evaluation under subsection (1) of this section.

(3) The education data center shall enter data-sharing agreements to facilitate the transfer of required data.

(4) Religious postsecondary institutions that maintain a religious exemption under RCW 28B.85.040 may request an exemption from the council from submitting student-level data to the education data center.

(5) Postsecondary institutions, except for those exempt under subsection (4) of this section, that do not submit student-level data to the education data center may be found ineligible for the state's federally required eligible training provider list and may lose eligibility to participate in the Washington college grant program, established in this chapter. The council's office of student financial assistance shall determine penalties for postsecondary institutions in accordance with chapter 34.05 RCW.

(6) Nothing in this section allows the sharing of confidential information that is prohibited by state or federal law.

(7) For the purposes of this section, "postsecondary institution" means an institution of higher education as defined in RCW 28B.10.016, a degree-granting institution as defined in RCW 28B.85.010, a private vocational school as defined in RCW 28C.10.020, and a school as defined in RCW 18.16.020.

NEW SECTION. Sec. 23. A new section is added to chapter 28B.92 RCW to read as follows:

The caseload forecast council shall estimate the anticipated caseload of the Washington college grant program and submit the caseload forecast as specified in RCW 43.88C.020.

Sec. 24. RCW 43.88C.010 and 2018 c 208 s 4 are each amended to read as follows:

(1) The caseload forecast council is hereby created. The council shall consist of two individuals appointed by the governor and four individuals, one of whom is appointed by the chairperson of each of the two largest political caucuses in the senate and house of representatives. The chair of the council shall be selected from among the four caucus appointees. The council may select such other officers as the members deem necessary.

(2) The council shall employ a caseload forecast supervisor to supervise the preparation of all caseload forecasts. As used in this chapter, "supervisor" means the caseload forecast supervisor.

(3) Approval by an affirmative vote of at least five members of the council is required for any decisions regarding employment of the supervisor.

Employment of the supervisor shall terminate after each term of three years. At the end of the first year of each three-year term the council shall consider extension of the supervisor's term by one year. The council may fix the compensation of the supervisor. The supervisor shall employ staff sufficient to accomplish the purposes of this section.

(4) The caseload forecast council shall oversee the preparation of and approve, by an affirmative vote of at least four members, the official state caseload forecasts prepared under RCW 43.88C.020. If the council is unable to approve a forecast before a date required in RCW 43.88C.020, the supervisor shall submit the forecast without approval and the forecast shall have the same effect as if approved by the council.

(5) A councilmember who does not cast an affirmative vote for approval of the official caseload forecast may request, and the supervisor shall provide, an alternative forecast based on assumptions specified by the member.

(6) Members of the caseload forecast council shall serve without additional compensation but shall be reimbursed for travel expenses in accordance with RCW 44.04.120 while attending sessions of the council or on official business authorized by the council. Nonlegislative members of the council shall be reimbursed for travel expenses in accordance with RCW 43.03.050 and 43.03.060.

(7) "Caseload," as used in this chapter, means:

(a) The number of persons expected to meet entitlement requirements and require the services of public assistance programs, state correctional institutions, state correctional noninstitutional supervision, state institutions for juvenile offenders, the common school system, long-term care, medical assistance, foster care, and adoption support;

(b) The number of students who are eligible for the Washington college bound scholarship program and are expected to attend an institution of higher education as defined in RCW 28B.92.030;

(c) The number of students who are eligible for the Washington college grant program under sections 19 and 20 of this act and are expected to attend an institution of higher education as defined in RCW 28B.92.030; and

(d) The number of children who are eligible, as defined in RCW 43.216.505, to participate in, and the number of children actually served by, the early childhood education and assistance program.

(8) The caseload forecast council shall forecast the temporary assistance for needy families and the working connections child care programs as a courtesy.

(9) The caseload forecast council shall forecast youth participating in the extended foster care program pursuant to RCW 74.13.031 separately from other children who are residing in foster care and who are under eighteen years of age.

(10) The caseload forecast council shall forecast the number of youth expected to receive behavioral rehabilitation services while involved in the foster care system and the number of screened in reports of child abuse or neglect.

(11) Unless the context clearly requires otherwise, the definitions provided in RCW 43.88.020 apply to this chapter.

Sec. 25. RCW 28B.10.790 and 2012 c 229 s 518 are each amended to read as follows:

Washington residents attending any nonprofit college or university in another state which has a reciprocity agreement with the state of Washington shall be eligible for the student financial aid program outlined in chapter 28B.92 RCW if:

(1) ~~They~~ qualify as a (~~"needy"~~) student(~~"~~) who demonstrates financial need as defined under RCW 28B.92.030(~~((4))~~); and

(2) ~~The~~ institution attended is a member institution of an accrediting association recognized by rule of the student achievement council for the purposes of this section and is specifically encompassed within or directly affected by such reciprocity agreement and agrees to and complies with program rules and regulations pertaining to such students and institutions adopted pursuant to RCW 28B.92.150.

Sec. 26. RCW 28B.12.030 and 2017 c 52 s 1 are each amended to read as follows:

~~((As used))~~ The definitions in this section apply throughout this chapter~~((; the following words and terms shall have the following meanings.))~~ unless the context ~~((shall))~~ clearly ~~((indicate another or different meaning or intent.))~~ requires otherwise.

(1) ~~((The term "needy student" shall mean a student enrolled or accepted for enrollment at a postsecondary institution who, according to a system of need analysis approved by the office of student financial assistance, demonstrates a financial inability, either parental, familial, or personal, to bear the total cost of education for any semester or quarter.~~

~~((The term))~~ "Eligible institution" ~~((shall))~~ means any postsecondary institution in this state accredited by the Northwest Association of Schools and Colleges, or a campus of a member institution of an accrediting association recognized by rule of the student achievement council for purposes of this section, that is eligible for federal student financial aid assistance and has operated as a nonprofit college or university delivering on-site classroom instruction for a minimum of twenty consecutive years within the state of Washington, or any public technical college in the state.

(2) "Financial need" has the same meaning as in RCW 28B.92.030.

Sec. 27. RCW 28B.92.040 and 2011 1st sp.s. c 11 s 160 are each amended to read as follows:

The office shall be cognizant of the following guidelines in the performance of its duties:

(1) The office shall be research oriented, not only at its inception but continually through its existence.

(2) The office shall coordinate all existing programs of financial aid except those specifically dedicated to a particular institution by the donor.

(3) The office shall take the initiative and responsibility for coordinating all federal student financial aid programs to ensure that the state recognizes the maximum potential effect of these programs, and shall design state programs that complement existing federal, state, and institutional programs. ~~((The office shall ensure that state programs continue to follow the principle that state financial aid funding follows the student to the student's choice of institution of higher education.))~~

(4) Counseling is a paramount function of the ~~((state need))~~ Washington college grant program and other state student financial aid programs, and in most cases could only be properly implemented at the institutional levels; therefore, state student financial aid programs shall be concerned with the attainment of those goals which, in the judgment of the office, are the reasons for the existence of a student financial aid program, and not solely with administration of the program on an individual basis.

(5) The "package" approach of combining loans, grants and employment for student financial aid shall be the conceptual element of the state's involvement.

(6) The office shall ensure that allocations of state appropriations for financial aid are made to individuals and institutions in a timely manner and shall closely monitor expenditures to avoid under or overexpenditure of appropriated funds.

Sec. 28. RCW 28B.92.065 and 2015 3rd sp.s. c 36 s 4 are each amended to read as follows:

Beginning with the 2015-2017 omnibus appropriations act and each biennium thereafter, reductions in tuition levels resulting from section 3, chapter 36, Laws of 2015 3rd sp. sess. will allow the legislature to reduce ~~((state need))~~ Washington college grant program appropriations by an equal amount from the 2013-2015 fiscal biennium amounts. The legislature does not intend to reduce award levels for private colleges and universities below the 2014-15 academic year levels.

~~((By reducing the overall cost of tuition, the legislature in future biennia is better able and intends to serve those students currently eligible but unserved in the state need grant.))~~

Sec. 29. RCW 28B.15.065 and 1977 ex.s. c 322 s 6 are each amended to read as follows:

It is the intent of the legislature that ~~((needy))~~ students who demonstrate financial need not be deprived of access to higher education due to increases in educational costs or consequent increases in tuition and fees. It is the sense of the legislature that state appropriations for student financial aid be adjusted in an amount which together with funds estimated to be available in the form of basic educational opportunity grants as authorized under Section 411 of the federal Higher Education Act of 1965 as now or hereafter amended will equal twenty-four percent of any change in revenue estimated to occur as a result of revisions in tuition and fee levels under the provisions of chapter 322, Laws of 1977 ex. sess.

Sec. 30. RCW 28B.15.740 and 2015 c 55 s 223 are each amended to read as follows:

(1) Subject to the limitations of RCW 28B.15.910, the governing boards of the state universities, the regional universities, The Evergreen State College, and the community and technical colleges may waive all or a portion of tuition and fees for ~~((needy))~~ students who demonstrate financial need and are eligible for resident tuition and fee rates pursuant to RCW 28B.15.012 and 28B.15.013. Subject to the limitations of RCW 28B.15.910, the governing boards of the state universities, the regional universities, The Evergreen State College, and the community and technical colleges may waive all or a portion of tuition and fees for other students at the discretion of the governing boards, except on the basis

of participation in intercollegiate athletic programs, not to exceed three-fourths of one percent of gross authorized operating fees revenue under RCW 28B.15.910 for the community and technical colleges considered as a whole and not to exceed two percent of gross authorized operating fees revenue for the other institutions of higher education.

(2) In addition to the tuition and fee waivers provided in subsection (1) of this section and subject to the provisions of RCW 28B.15.455, 28B.15.460, and 28B.15.910, a total dollar amount of tuition and fee waivers awarded by any state university, regional university, or state college under this chapter, not to exceed one percent, as calculated in subsection (1) of this section, may be used for the purpose of achieving or maintaining gender equity in intercollegiate athletic programs. At any institution that has an underrepresented gender class in intercollegiate athletics, any such waivers shall be awarded:

(a) First, to members of the underrepresented gender class who participate in intercollegiate athletics, where such waivers result in saved or displaced money that can be used for athletic programs for the underrepresented gender class. Such saved or displaced money shall be used for programs for the underrepresented gender class; and

(b) Second, (i) to nonmembers of the underrepresented gender class who participate in intercollegiate athletics, where such waivers result in saved or displaced money that can be used for athletic programs for members of the underrepresented gender class. Such saved or displaced money shall be used for programs for the underrepresented gender class; or (ii) to members of the underrepresented gender class who participate in intercollegiate athletics, where such waivers do not result in any saved or displaced money that can be used for athletic programs for members of the underrepresented gender class.

Sec. 31. RCW 28B.15.760 and 2012 c 229 s 528 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout RCW 28B.15.762 and 28B.15.764.

(1) "Borrower" means an eligible student who has received a loan under RCW 28B.15.762.

(2) "Council" means the student achievement council.

(3) "Eligible student" means a student registered for at least ten credit hours or the equivalent and demonstrates achievement of a 3.00 grade point average for each academic year, who is a resident student as defined by RCW 28B.15.012 through 28B.15.015, who is a (~~"needy"~~) student(~~"~~) who demonstrates financial need as defined in RCW 28B.92.030, and who has a declared major in a program leading to a degree in teacher education in a field of science or mathematics, or a certificated teacher who meets the same credit hour and (~~"needy student"~~) financial eligibility requirements and is seeking an additional degree in science or mathematics.

(4) "Forgiven" or "to forgive" means to collect service as a teacher in a field of science or mathematics at a public school in the state of Washington in lieu of monetary payment.

(5) "Institution of higher education" or "institution" means a college or university in the state of Washington which is a member institution of an accrediting association recognized as such by rule of the council.

(6) "Office" means the office of student financial assistance.

(7) "Public school" means a middle school, junior high school, or high school within the public school system referred to in Article IX of the state Constitution.

(8) "Satisfied" means paid-in-full.

Sec. 32. RCW 28B.15.762 and 2012 c 229 s 529 are each amended to read as follows:

(1) The council may make long-term loans to eligible students at institutions of higher education from the funds appropriated to the council for this purpose. The amount of any such loan shall not exceed the demonstrated financial need of the student or two thousand five hundred dollars for each academic year whichever is less, and the total amount of such loans to an eligible student shall not exceed ten thousand dollars. The interest rates and terms of deferral of such loans shall be consistent with the terms of the guaranteed loan program established by 20 U.S.C. Sec. 1701 et seq. The period for repaying the loan principal and interest shall be ten years with payments accruing quarterly commencing nine months from the date the borrower graduated. The entire principal and interest of each loan payment shall be forgiven for each payment period in which the borrower teaches science or mathematics in a public school in this state until the entire loan is satisfied or the borrower ceases to teach science or mathematics at a public school in this state. Should the borrower cease to teach science or mathematics at a public school in this state before the time in which the principal and interest on the loan are satisfied, payments on the unsatisfied portion of the principal and interest on the loan shall begin the next payment period and continue until the remainder of the loan is paid.

(2) The council is responsible for collection of loans made under subsection (1) of this section and shall exercise due diligence in such collection, maintaining all necessary records to insure that maximum repayments are made. Collection and servicing of loans under subsection (1) of this section shall be pursued using the full extent of the law, including wage garnishment if necessary, and shall be performed by entities approved for such servicing by the Washington student loan guaranty association or its successor agency. The council is responsible to forgive all or parts of such loans under the criteria established in subsection (1) of this section and shall maintain all necessary records of forgiven payments.

(3) Receipts from the payment of principal or interest or any other subsidies to which the council as lender is entitled, which are paid by or on behalf of borrowers under subsection (1) of this section, shall be deposited with the office and shall be used to cover the costs of making the loans under subsection (1) of this section, maintaining necessary records, and making collections under subsection (2) of this section. The office shall maintain accurate records of these costs, and all receipts beyond those necessary to pay such costs shall be used to make loans to eligible students.

(4) Any funds not used to make loans, or to cover the cost of making loans or making collections, shall be placed in the state educational trust fund for ~~((needy or disadvantaged))~~ students who demonstrate financial need.

(5) The council shall adopt necessary rules to implement this section.

Sec. 33. RCW 28B.15.820 and 2009 c 215 s 9 are each amended to read as follows:

(1) Each institution of higher education, including technical colleges, shall deposit a minimum of three and one-half percent of revenues collected from tuition and services and activities fees in an institutional financial aid fund that is hereby created and which shall be held locally. Moneys in the fund shall be used only for the following purposes: (a) To make guaranteed long-term loans to eligible students as provided in subsections (3) through (8) of this section; (b) to make short-term loans as provided in subsection (9) of this section; (c) to provide financial aid to (~~(needy)~~) students who demonstrate financial need as provided in subsection (10) of this section; or (d) to provide financial aid to students as provided in subsection (11) of this section.

(2) An "eligible student" for the purposes of subsections (3) through (8) and (10) of this section is a student registered for at least three credit hours or the equivalent, who is eligible for resident tuition and fee rates as defined in RCW 28B.15.012 and 28B.15.013, and who is a (~~("needy")~~) student(~~"~~) who demonstrates financial need as defined in RCW 28B.92.030.

(3) The amount of the guaranteed long-term loans made under this section shall not exceed the demonstrated financial need of the student. Each institution shall establish loan terms and conditions which shall be consistent with the terms of the guaranteed loan program established by 20 U.S. Code Section 1071 et seq., as now or hereafter amended. All loans made shall be guaranteed by the Washington student loan guaranty association or its successor agency. Institutions are hereby granted full authority to operate as an eligible lender under the guaranteed loan program.

(4) Before approving a guaranteed long-term loan, each institution shall analyze the ability of the student to repay the loan based on factors which include, but are not limited to, the student's accumulated total education loan burdens and the employment opportunities and average starting salary characteristics of the student's chosen fields of study. The institution shall counsel the student on the advisability of acquiring additional debt, and on the availability of other forms of financial aid.

(5) Each institution is responsible for collection of guaranteed long-term loans made under this section and shall exercise due diligence in such collection, maintaining all necessary records to insure that maximum repayments are made. Institutions shall cooperate with other lenders and the Washington student loan guaranty association, or its successor agency, in the coordinated collection of guaranteed loans, and shall assure that the guarantability of the loans is not violated. Collection and servicing of guaranteed long-term loans under this section shall be performed by entities approved for such servicing by the Washington student loan guaranty association or its successor agency: PROVIDED, That institutions be permitted to perform such servicing if specifically recognized to do so by the Washington student loan guaranty association or its successor agency. Collection and servicing of guaranteed long-term loans made by community colleges under subsection (1) of this section shall be coordinated by the state board for community and technical colleges and shall be conducted under procedures adopted by the state board.

(6) Receipts from payment of interest or principal or any other subsidies to which institutions as lenders are entitled, that are paid by or on behalf of borrowers of funds under subsections (3) through (8) of this section, shall be deposited in each institution's financial aid fund and shall be used to cover the

costs of making the guaranteed long-term loans under this section and maintaining necessary records and making collections under subsection (5) of this section: PROVIDED, That such costs shall not exceed five percent of aggregate outstanding loan principal. Institutions shall maintain accurate records of such costs, and all receipts beyond those necessary to pay such costs, shall be deposited in the institution's financial aid fund.

(7) The governing boards of the state universities, the regional universities, and The Evergreen State College, and the state board for community and technical colleges, on behalf of the community colleges and technical colleges, shall each adopt necessary rules and regulations to implement this section.

(8) First priority for any guaranteed long-term loans made under this section shall be directed toward students who would not normally have access to educational loans from private financial institutions in Washington state, and maximum use shall be made of secondary markets in the support of loan consolidation.

(9) Short-term loans, not to exceed one year, may be made from the institutional financial aid fund to students enrolled in the institution. No such loan shall be made to any student who is known by the institution to be in default or delinquent in the payment of any outstanding student loan. A short-term loan may be made only if the institution has ample evidence that the student has the capability of repaying the loan within the time frame specified by the institution for repayment.

(10) Any moneys deposited in the institutional financial aid fund that are not used in making long-term or short-term loans may be used by the institution for locally administered financial aid programs for ~~((needy))~~ students who demonstrate financial need, such as need-based institutional employment programs or need-based tuition and fee scholarship or grant programs. These funds shall be used in addition to and not to replace institutional funds that would otherwise support these locally administered financial aid programs. First priority in the use of these funds shall be given to ~~((needy))~~ students who demonstrate financial need who have accumulated excessive educational loan burdens. An excessive educational loan burden is a burden that will be difficult to repay given employment opportunities and average starting salaries in the student's chosen fields of study. Second priority in the use of these funds shall be given to ~~((needy))~~ single parents who are students who demonstrate financial need, to assist these students with their educational expenses, including expenses associated with child care and transportation.

(11) Any moneys deposited in the institutional financial aid fund may be used by the institution for a locally administered financial aid program for high school students enrolled in dual credit programs. If institutions use funds in this manner, the governing boards of the state universities, the regional universities, The Evergreen State College, and the state board for community and technical colleges shall each adopt necessary rules to implement this subsection. Moneys from this fund may be used for all educational expenses related to a student's participation in a dual credit program including but not limited to tuition, fees, course materials, and transportation.

Sec. 34. RCW 28B.108.010 and 2011 1st sp.s. c 11 s 191 are each reenacted and amended to read as follows:

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

(1) "Eligible student" or "student" means an American Indian who is a ~~((financially-needy))~~ student who demonstrates financial need, as defined in RCW 28B.92.030, who is a resident student, as defined by RCW 28B.15.012(2), who is a full-time student at an institution of higher education, and who promises to use his or her education to benefit other American Indians.

(2) "Institution of higher education" or "institution" means a college or university in the state of Washington which is accredited by an accrediting association recognized as such by rule of the council for higher education.

(3) "Office" means the office of student financial assistance.

Sec. 35. RCW 28B.116.010 and 2013 c 39 s 10 are each amended to read as follows:

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

(1) "Cost of attendance" means the cost associated with the attendance of the institution of higher education as determined by the office of student financial assistance, including but not limited to tuition, room, board, and books.

(2) "Eligible student" means a student who:

(a) Is between the ages of sixteen and twenty-three;

(b) Has been in foster care in the state of Washington for a minimum of six months since his or her fourteenth birthday;

(c) Is a ~~((financially-needy))~~ student who demonstrates financial need, as defined in RCW 28B.92.030;

(d) Is a resident student, as defined in RCW 28B.15.012(2);

(e) Has entered or will enter an institution of higher education in Washington state within three years of high school graduation or having successfully completed his or her high school equivalency certificate as provided in RCW 28B.50.536;

(f) Is not pursuing a degree in theology; and

(g) Makes satisfactory progress towards the completion of a degree or certificate program.

(3) "Institution of higher education" means a college or university in the state of Washington that is accredited by an accrediting association recognized as such by rule of the student achievement council.

(4) "Office" means the office of student financial assistance.

Sec. 36. RCW 28A.180.120 and 2017 c 236 s 4 are each amended to read as follows:

In 2017, funds must be appropriated for the purposes in this section.

(1) The professional educator standards board, beginning in the 2017-2019 biennium, shall administer the bilingual educator initiative, which is a long-term program to recruit, prepare, and mentor bilingual high school students to become future bilingual teachers and counselors.

(2) Subject to the availability of amounts appropriated for this specific purpose, pilot projects must be implemented in one or two school districts east of the crest of the Cascade mountains and one or two school districts west of the crest of the Cascade mountains, where immigrant students are shown to be rapidly increasing. Districts selected by the professional educator standards

board must partner with at least one two-year and one four-year college in planning and implementing the program. The professional educator standards board shall provide oversight.

(3) Participating school districts must implement programs, including: (a) An outreach plan that exposes the program to middle school students and recruits them to enroll in the program when they begin their ninth grade of high school; (b) activities in ninth and tenth grades that help build student agency, such as self-confidence and awareness, while helping students to develop academic mind-sets needed for high school and college success; the value and benefits of teaching and counseling as careers; and introduction to leadership, civic engagement, and community service; (c) credit-bearing curricula in grades eleven and twelve that include mentoring, shadowing, best practices in teaching in a multicultural world, efficacy and practice of dual language instruction, social and emotional learning, enhanced leadership, civic engagement, and community service activities.

(4) There must be a pipeline to college using two-year and four-year college faculty and consisting of continuation services for program participants, such as advising, tutoring, mentoring, financial assistance, and leadership.

(5) High school and college teachers and counselors must be recruited and compensated to serve as mentors and trainers for participating students.

(6) After obtaining a high school diploma, students qualify to receive conditional loans to cover the full cost of college tuition, fees, and books. To qualify for funds, students must meet program requirements as developed by their local implementation team, which consists of staff from their school district and the partnering two-year and four-year college faculty.

(7) In order to avoid loan repayment, students must (a) earn their baccalaureate degree and certification needed to serve as a teacher or professional guidance counselor; and (b) teach or serve as a counselor in their educational service district region for at least five years. Students who do not meet the repayment terms in this subsection are subject to repaying all or part of the financial aid they receive for college unless students are recipients of funding provided through programs such as the ~~((state-need))~~ Washington college grant program or the college bound scholarship program.

(8) Grantees must work with the professional educator standards board to draft the report required in section 6, chapter 236, Laws of 2017.

(9) The professional educator standards board may adopt rules to implement this section.

Sec. 37. RCW 28B.76.502 and 2017 c 177 s 1 are each amended to read as follows:

(1) The office must provide a financial aid counseling curriculum to institutions of higher education with ~~((state-need))~~ Washington college grant recipients. The curriculum must be available via a web site. The curriculum must include, but not be limited to:

(a) An explanation of the ~~((state-need))~~ Washington college grant program rules, including maintaining satisfactory progress, repayment rules, and usage limits;

(b) Information on campus and private scholarships and work-study opportunities, including the application processes;

(c) An overview of student loan options with an emphasis on the repayment obligations a student borrower assumes regardless of program completion, including the likely consequences of default and sample monthly repayment amounts based on a range of student levels of indebtedness;

(d) An overview of personal finance, including basic money management skills such as living within a budget and handling credit and debt;

(e) Average salaries for a wide range of jobs;

(f) Financial education that meets the needs of, and includes perspectives from, a diverse group of students who are or were recipients of financial aid, including student loans, who may be trained by the financial education public-private partnership; and

(g) Contact information for local financial aid resources and the federal student aid ombuds' office.

(2) By the 2013-14 academic year, the institution of higher education must take reasonable steps to ensure that each (~~(state need)~~) Washington college grant recipient receives information outlined in subsection (1)(a) through (g) of this section by directly referencing or linking to the web site on the conditions of award statement provided to each recipient.

(3) By July 1, 2013, the office must disseminate the curriculum to all institutions of higher education participating in the (~~(state need)~~) Washington college grant program. The institutions of higher education may require (~~(nonstate need)~~) students who are not participating in the Washington college grant (~~(recipients)~~) program to participate in all or portions of the financial aid counseling.

(4) Subject to the availability of amounts appropriated for this specific purpose, by the 2017-18 academic year, each institution of higher education must take reasonable steps to ensure that the institution presents, and each incoming student participates in, a financial education workshop. The scope of the workshop must include, but is not limited to, the information outlined in subsection (1)(b) through (g) of this section, and include recommendations by the financial education public-private partnership. The institutions are encouraged to present these workshops during student orientation or as early as possible in the academic year.

Sec. 38. RCW 28B.76.525 and 2011 1st sp.s. c 11 s 110 are each amended to read as follows:

(1) The state financial aid account is created in the custody of the state treasurer. The primary purpose of the account is to ensure that all appropriations designated for financial aid through statewide student financial aid programs are made available to eligible students. The account shall be a nontreasury account.

(2) The office shall deposit in the account all money received for the (~~(state need)~~) Washington college grant program established under chapter 28B.92 RCW (~~(28B.92.010)~~), the state work-study program established under chapter 28B.12 RCW, the Washington scholars program established under RCW 28A.600.110, the Washington award for vocational excellence program established under RCW 28C.04.525, and the educational opportunity grant program established under chapter 28B.101 RCW. The account shall consist of funds appropriated by the legislature for the programs listed in this subsection and private contributions to the programs. Moneys deposited in the account do not lapse at the close of the fiscal period for which they were appropriated. Both

during and after the fiscal period in which moneys were deposited in the account, the office may expend moneys in the account only for the purposes for which they were appropriated, and the expenditures are subject to any other conditions or limitations placed on the appropriations.

(3) Expenditures from the account shall be used for scholarships to students eligible for the programs according to program rules and policies.

(4) Disbursements from the account are exempt from appropriations and the allotment provisions of chapter 43.88 RCW.

(5) Only the director of the office or the director's designee may authorize expenditures from the account.

Sec. 39. RCW 28B.76.526 and 2018 c 232 s 10 are each amended to read as follows:

The Washington opportunity pathways account is created in the state treasury. Expenditures from the account may be used only for programs in chapter 28A.710 RCW (charter schools), chapter 28B.12 RCW (state work-study), chapter 28B.50 RCW (opportunity grant), RCW 28B.76.660 (Washington scholars award), RCW 28B.76.670 (Washington award for vocational excellence), chapter 28B.92 RCW (~~(((state need)))~~ Washington college grant program), chapter 28B.105 RCW (GET ready for math and science scholarship), chapter 28B.117 RCW (passport to careers), chapter 28B.118 RCW (college bound scholarship), (~~chapter 28B.119 RCW (Washington promise scholarship);~~) and chapter (~~((43.215))~~ 43.216 RCW (early childhood education and assistance program)).

Sec. 40. RCW 28B.76.540 and 2011 1st sp.s. c 11 s 111 are each amended to read as follows:

In addition to administrative responsibilities assigned in this chapter, the office shall administer the programs set forth in the following statutes: RCW 28A.600.100 through 28A.600.150 (Washington scholars); chapter 28B.85 RCW (degree-granting institutions); chapter 28B.92 RCW (~~(((state need)))~~ Washington college grant); chapter 28B.12 RCW (work-study); RCW 28B.15.543 (~~(((tuition waivers for Washington scholars)))~~ grants for undergraduate coursework); RCW 28B.15.760 through 28B.15.766 (math and science loans); RCW 28B.15.100 (reciprocity agreement); RCW 28B.15.730 through 28B.15.734 (Oregon reciprocity); RCW 28B.15.750 and 28B.15.752 (Idaho reciprocity); RCW 28B.15.756 (British Columbia reciprocity); chapter 28B.101 RCW (educational opportunity grant); chapter 28B.102 RCW (future teachers conditional scholarship); chapter 28B.108 RCW (American Indian endowed scholarship); chapter 28B.109 RCW (Washington international exchange scholarship); chapter 28B.115 RCW (health professional conditional scholarship); (~~chapter 28B.119 RCW (Washington promise scholarship);~~) and chapter 28B.133 RCW (gaining independence for students with dependents).

Sec. 41. RCW 28B.76.699 and 2016 c 233 s 17 are each amended to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the office shall administer a student teaching residency grant program to provide additional funds to individuals completing student teaching residencies at public schools in Washington.

(2) To qualify for the grant, recipients must be enrolled in a professional educator standards board-approved teacher preparation program, be completing or about to start a student teaching residency at a Title I school, and demonstrate financial need, as defined by the office and consistent with the income criteria required to receive the ~~((state need))~~ Washington college grant ~~((established))~~ created in chapter 28B.92 RCW.

(3) The office shall establish rules for administering the grants under this section.

Sec. 42. RCW 28B.77.020 and 2015 c 83 s 2 are each amended to read as follows:

(1) Aligned with the state's biennial budget and policy cycles, the council shall propose educational attainment goals and priorities to meet the state's evolving needs. The council shall identify strategies for meeting the goals and priorities by means of a short-term strategic action plan and a ten-year plan that serves as a roadmap.

(a) The goals must address the needs of Washington residents to reach higher levels of educational attainment and Washington's workforce needs for certificates and degrees in particular fields of study.

(b) The council shall identify the resources it deems appropriate to meet statewide goals and also recognize current state economic conditions and state resources.

(c) In proposing goals, the council shall collaborate with the superintendent of public instruction, the professional educator standards board, the state board of education, the state board for community and technical colleges, the four-year institutions of higher education, independent colleges and degree-granting institutions, certificate-granting institutions, and the workforce training and education coordinating board.

(2) The council shall update the strategic action plan every two years with the first strategic action plan to be submitted to the governor and the legislature by December 1, 2012. The ten-year roadmap must be updated every two years with the first roadmap to be submitted to the governor and the legislature by December 1, 2013. The council must provide regular updates to the joint higher education committee created in RCW 44.04.360 as needed.

(3) In order to develop the ten-year roadmap, the council shall conduct strategic planning in collaboration with agencies and stakeholders and include input from the legislature. The council must also consult with the STEM education innovation alliance established under RCW 28A.188.030 in order to align strategies under the roadmap with the STEM framework for education and accountability developed by the alliance. The roadmap must encompass all sectors of higher education, including secondary to postsecondary transitions. The roadmap must outline strategies that address:

(a) Strategic planning, which includes setting benchmarks and goals for long-term degree production generally and in particular fields of study;

(b) Expanding access, affordability, quality, efficiency, and accountability among the various institutions of higher education;

(c) Higher education finance planning and strategic investments including budget recommendations necessary to meet statewide goals;

(d) System design and coordination;

(e) Improving student transitions;

(f) Higher education data and analysis, in collaboration with the education data center, which includes outcomes for recruitment, retention, and success of students;

(g) College and career access preparedness, in collaboration with the office of the superintendent of public instruction and the state board of education;

(h) Expanding participation and success for racial and ethnic minorities in higher education;

(i) Development and expansion of innovations in higher education including innovations to increase attainment of postsecondary certificates, and associate, baccalaureate, graduate, and professional degrees; and innovations to improve precollege education in terms of cost-effectiveness and transitions to college-level education;

(j) Strengthening the education pipeline and degree production in science, technology, engineering, and mathematics fields, and aligning strategies under the roadmap with the STEM framework for action and accountability developed under RCW 28A.188.030; and

(k) Relevant policy research.

(4) As needed, the council must conduct system reviews consistent with RCW 28B.77.080.

(5) The council shall facilitate the development and expansion of innovative practices within, between, and among the sectors to increase educational attainment and assess the effectiveness of the innovations.

(6) The council shall use the data and analysis produced by, and in consultation with, the education data center created in RCW 43.41.400 in developing policy recommendations and proposing goals. In conducting research and analysis the council at a minimum must:

(a) Identify barriers to increasing educational attainment, evaluate effectiveness of various educational models, identify best practices, and recommend methods to overcome barriers;

(b) Analyze data from multiple sources including data from academic research and from areas and agencies outside of education including but not limited to data from the department of health, the department of corrections, and the department of social and health services to determine best practices to remove barriers and to improve educational attainment;

(c) Assess educational achievement disaggregated by income level, age, gender, race and ethnicity, country of origin, and other relevant demographic groups working with data from the education data center;

(d) Track progress toward meeting the state's goals;

(e) Communicate results and provide access to data analysis to policymakers, the superintendent of public instruction, institutions of higher education, students, and the public; and

(f) Use data from the education data center wherever appropriate to conduct duties in (a) through (e) of this subsection.

(7) The council shall collaborate with the appropriate state agencies and stakeholders, including the state board of education, the office of the superintendent of public instruction, the state board for community and technical colleges, the workforce training and education coordinating board, and the four-year institutions of higher education to improve student transitions and success including but not limited to:

(a) Setting minimum college admission standards for four-year institutions of higher education, including:

(i) A requirement that coursework in American sign language or an American Indian language satisfies any requirement for instruction in a language other than English that the council or the institutions may establish as a general undergraduate admissions requirement; and

(ii) Encouragement of the use of multiple measures to determine whether a student must enroll in a precollege course, such as placement tests, the SAT, high school transcripts, college transcripts, or initial class performance;

(b) Proposing comprehensive policies and programs to encourage students to prepare for, understand how to access, and pursue postsecondary college and career programs, including specific policies and programs for students with disabilities;

(c) Recommending policies that require coordination between or among sectors such as dual high school-college programs, awarding college credit for advanced high school work, and transfer between two and four-year institutions of higher education or between different four-year institutions of higher education; and

(d) Identifying transitions issues and solutions for students, from high school to postsecondary education including community and technical colleges, four-year institutions of higher education, apprenticeships, training, or workplace education; between two-year and four-year institutions of higher education; and from postsecondary education to career. In addressing these issues the council must recognize that these transitions may occur multiple times as students continue their education.

(8) The council directs the work of the office, which includes administration of student financial aid programs under RCW 28B.76.090, including the ((state need)) Washington college grant and other scholarships, the Washington advanced college tuition payment program, and work-study programs.

(9) The council may administer state and federal grants and programs including but not limited to those programs that provide incentives for improvements related to increased access and success in postsecondary education.

(10) The council shall protect higher education consumers including:

(a) Approving degree-granting postsecondary institutions consistent with existing statutory criteria;

(b) Establishing minimum criteria to assess whether students who attend proprietary institutions of higher education shall be eligible for the ((state need)) Washington college grant and other forms of state financial aid.

(i) The criteria shall include retention rates, completion rates, loan default rates, and annual tuition increases, among other criteria for students who receive ((state need)) the Washington college grant ((as)) in chapter 28B.92 RCW and any other state financial aid.

(ii) The council may remove proprietary institutions of higher education from eligibility for the ((state need)) Washington college grant or other form of state financial aid if it finds that the institution or college does not meet minimum criteria.

(iii) The council shall report by December 1, 2014, to the joint higher education committee in RCW 44.04.360 on the outcomes of students receiving

~~((state need))~~ Washington college grants, impacts on meeting the state's higher education goals for educational attainment, and options for prioritization of the ~~((state need))~~ Washington college grant and possible consequences of implementing each option. When examining options for prioritizing the ~~((state need))~~ Washington college grant the council shall consider awarding grants based on need rather than date of application and making awards based on other criteria selected by the council.

(11) The council shall adopt residency requirements by rule.

(12) The council shall arbitrate disputes between and among four-year institutions of higher education and the state board for community and technical colleges at the request of one or more of the institutions involved, or at the request of the governor, or from a resolution adopted by the legislature. The decision of the council shall be binding on the participants in the dispute.

(13) The council may solicit, accept, receive, and administer federal funds or private funds, in trust, or otherwise, and contract with foundations or with for-profit or nonprofit organizations to support the purposes and functions of the council.

(14) The council shall represent the broad public interest above the interests of the individual institutions of higher education.

Sec. 43. RCW 28B.117.020 and 2018 c 232 s 3 are each amended to read as follows:

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

(1) "Apprentice" means a person enrolled in a state-approved, federally registered, or reciprocally recognized apprenticeship program.

(2) "Apprenticeship" means an apprenticeship training program approved or recognized by the state apprenticeship council or similar federal entity.

(3) "Cost of attendance" means the cost associated with attending a particular institution of higher education as determined by the office, including but not limited to tuition, fees, room, board, books, personal expenses, and transportation, plus the cost of reasonable additional expenses incurred by an eligible student and approved by a financial aid administrator at the student's school of attendance.

(4) "Federal foster care system" means the foster care program under the federal unaccompanied refugee minors program, Title 8 U.S.C. Sec. 1522 of the immigration and nationality act.

(5) "Financial need" means the difference between a student's cost of attendance and the student's total family contribution as determined by the method prescribed by the United States department of education.

(6) "Homeless" or "homelessness" means without a fixed, regular, and adequate nighttime residence as set forth in the federal McKinney-Vento homeless assistance act, 42 U.S.C. Sec. 11301 et seq.

(7) "Independent college or university" means a private, nonprofit institution of higher education, open to residents of the state, providing programs of education beyond the high school level leading to at least the baccalaureate degree, and accredited by the Northwest association of schools and colleges, and other institutions as may be developed that are approved by the student achievement council as meeting equivalent standards as those institutions accredited under this section.

(8) "Institution of higher education" means any institution eligible to and participating in the ((state need)) Washington college grant program.

(9) "Occupational-specific costs" means the costs associated with entering an apprenticeship or preapprenticeship, including but not limited to fees, tuition for classes, work clothes, rain gear, boots, occupation-specific tools.

(10) "Office" means the office of student financial assistance.

(11) "Preapprenticeship" means an apprenticeship preparation program recognized by the state apprenticeship council and as defined in RCW 28C.18.162.

(12) "Program" means the passport to careers program created in this chapter.

(13) "State foster care system" means out-of-home care pursuant to a dependency and includes the placement of dependents from other states who are placed in Washington pursuant to orders issued under the interstate compact on the placement of children, chapter 26.34 RCW.

(14) "Tribal court" has the same meaning as defined in RCW 13.38.040.

(15) "Tribal foster care system" means an out-of-home placement under a dependency order from a tribal court.

(16) "Unaccompanied" means a youth or young adult experiencing homelessness while not in the physical custody of a parent or guardian.

Sec. 44. RCW 28B.118.010 and 2018 c 204 s 1 and 2018 c 12 s 1 are each reenacted and amended to read as follows:

The office of student financial assistance shall design the Washington college bound scholarship program in accordance with this section and in alignment with the ((state need)) Washington college grant program in chapter 28B.92 RCW unless otherwise provided in this section.

(1) "Eligible students" are those students who:

(a) Qualify for free or reduced-price lunches. If a student qualifies in the seventh grade, the student remains eligible even if the student does not receive free or reduced-price lunches thereafter;

(b) Are dependent pursuant to chapter 13.34 RCW and:

(i) In grade seven through twelve; or

(ii) Are between the ages of eighteen and twenty-one and have not graduated from high school; or

(c) Were dependent pursuant to chapter 13.34 RCW and were adopted between the ages of fourteen and eighteen with a negotiated adoption agreement that includes continued eligibility for the Washington state college bound scholarship program pursuant to RCW 74.13A.025.

(2) Eligible students and the students' parents or guardians shall be notified of the student's eligibility for the Washington college bound scholarship program beginning in the student's seventh grade year. Students and the students' parents or guardians shall also be notified of the requirements for award of the scholarship.

(3)(a) To be eligible for a Washington college bound scholarship, a student eligible under subsection (1)(a) of this section must sign a pledge during seventh or eighth grade that includes a commitment to graduate from high school with at least a C average and with no felony convictions. The pledge must be witnessed by a parent or guardian and forwarded to the office of student financial assistance by mail or electronically, as indicated on the pledge form.

(b)(i) Beginning in the 2018-19 academic year, the office of student financial assistance shall make multiple attempts to secure the signature of the student's parent or guardian for the purpose of witnessing the pledge.

(ii) If the signature of the student's parent or guardian is not obtained, the office of student financial assistance may partner with the school counselor or administrator to secure the parent's or guardian's signature to witness the pledge. The school counselor or administrator shall make multiple attempts via all phone numbers, email addresses, and mailing addresses on record to secure the parent's or guardian's signature. All attempts to contact the parent or guardian must be documented and maintained in the student's official file.

(iii) If a parent's or guardian's signature is still not obtained, the school counselor or administrator shall indicate to the office of student financial assistance the nature of the unsuccessful efforts to contact the student's parent or guardian and the reasons the signature is not available. Then the school counselor or administrator may witness the pledge unless the parent or guardian has indicated that he or she does not wish for the student to participate in the program.

(c) A student eligible under subsection (1)(b) of this section shall be automatically enrolled, with no action necessary by the student or the student's family, and the enrollment form must be forwarded by the department of social and health services to the office of student financial assistance by mail or electronically, as indicated on the form.

(4)(a) Scholarships shall be awarded to eligible students graduating from public high schools, approved private high schools under chapter 28A.195 RCW, or who received home-based instruction under chapter 28A.200 RCW.

(b)(i) To receive the Washington college bound scholarship, a student must graduate with at least a "C" average from a public high school or an approved private high school under chapter 28A.195 RCW in Washington or have received home-based instruction under chapter 28A.200 RCW, must have no felony convictions, and must be a resident student as defined in RCW 28B.15.012(2) (a) through (e). A student who is eligible to receive the Washington college bound scholarship because the student is a resident student under RCW 28B.15.012(2)(e) must provide the institution, as defined in RCW 28B.15.012, an affidavit indicating that the individual will file an application to become a permanent resident at the earliest opportunity the individual is eligible to do so and a willingness to engage in any other activities necessary to acquire citizenship, including but not limited to citizenship or civics review courses.

(ii) For eligible children as defined in subsection (1)(b) and (c) of this section, to receive the Washington college bound scholarship, a student must have received a high school equivalency certificate as provided in RCW 28B.50.536 or have graduated with at least a "C" average from a public high school or an approved private high school under chapter 28A.195 RCW in Washington or have received home-based instruction under chapter 28A.200 RCW, must have no felony convictions, and must be a resident student as defined in RCW 28B.15.012(2) (a) through (e).

For a student who does not meet the "C" average requirement, and who completes fewer than two quarters in the running start program, under chapter 28A.600 RCW, the student's first quarter of running start course grades must be

excluded from the student's overall grade point average for purposes of determining their eligibility to receive the scholarship.

(5) A student's family income will be assessed upon graduation before awarding the scholarship.

(6) If at graduation from high school the student's family income does not exceed sixty-five percent of the state median family income, scholarship award amounts shall be as provided in this section.

(a) For students attending two or four-year institutions of higher education as defined in RCW 28B.10.016, the value of the award shall be (i) the difference between the student's tuition and required fees, less the value of any state-funded grant, scholarship, or waiver assistance the student receives; (ii) plus five hundred dollars for books and materials.

(b) For students attending private four-year institutions of higher education in Washington, the award amount shall be the representative average of awards granted to students in public research universities in Washington or the representative average of awards granted to students in public research universities in Washington in the 2014-15 academic year, whichever is greater.

(c) For students attending private vocational schools in Washington, the award amount shall be the representative average of awards granted to students in public community and technical colleges in Washington or the representative average of awards granted to students in public community and technical colleges in Washington in the 2014-15 academic year, whichever is greater.

(7) Recipients may receive no more than four full-time years' worth of scholarship awards.

(8) Institutions of higher education shall award the student all need-based and merit-based financial aid for which the student would otherwise qualify. The Washington college bound scholarship is intended to replace unmet need, loans, and, at the student's option, work-study award before any other grants or scholarships are reduced.

(9) The first scholarships shall be awarded to students graduating in 2012.

(10) The state of Washington retains legal ownership of tuition units awarded as scholarships under this chapter until the tuition units are redeemed. These tuition units shall remain separately held from any tuition units owned under chapter 28B.95 RCW by a Washington college bound scholarship recipient.

(11) The scholarship award must be used within five years of receipt. Any unused scholarship tuition units revert to the Washington college bound scholarship account.

(12) Should the recipient terminate his or her enrollment for any reason during the academic year, the unused portion of the scholarship tuition units shall revert to the Washington college bound scholarship account.

Sec. 45. RCW 28B.118.090 and 2015 c 244 s 6 are each amended to read as follows:

(1) Beginning January 1, 2015, and at a minimum every year thereafter, the student achievement council and all institutions of higher education eligible to participate in the college bound scholarship program shall ensure data needed to analyze and evaluate the effectiveness of the college bound scholarship program is promptly transmitted to the education data center created in RCW 43.41.400

so that it is available and easily accessible. The data to be reported should include but not be limited to:

(a) The number of students who sign up for the college bound scholarship program in seventh or eighth grade;

(b) The number of college bound scholarship students who graduate from high school;

(c) The number of college bound scholarship students who enroll in postsecondary education;

(d) Persistence and completion rates of college bound scholarship recipients disaggregated by institutions of higher education;

(e) College bound scholarship recipient grade point averages;

(f) The number of college bound scholarship recipients who did not remain eligible and reasons for ineligibility;

(g) College bound scholarship program costs; and

(h) Impacts to the ~~((state need))~~ Washington college grant program.

(2) Beginning May 12, 2015, and at a minimum every December 1st thereafter, the student achievement council shall submit student unit record data for the college bound scholarship program applicants and recipients to the education data center.

Sec. 46. RCW 28B.133.010 and 2013 c 248 s 4 are each amended to read as follows:

The educational assistance grant program for students with dependents is hereby created, subject to the availability of receipts of gifts, grants, or endowments from private sources. The program is created to serve ~~((financially needy))~~ students who demonstrate financial need with dependents eighteen years of age or younger, by assisting them directly through a grant program to pursue a degree or certificate at public or private institutions of higher education, as defined in RCW 28B.92.030(4) (a) and (b) (i) and (ii), that participate in the ~~((state need))~~ Washington college grant program.

Sec. 47. RCW 28B.133.020 and 2004 c 275 s 73 are each amended to read as follows:

To be eligible for the educational assistance grant program for students with dependents, applicants shall: (1) Be residents of the state of Washington; (2) be ~~((needy))~~ students who demonstrate financial need as defined in RCW 28B.92.030~~((3))~~; (3) be eligible to participate in the ~~((state need))~~ Washington college grant program as set forth under chapter 28B.92 RCW ~~((28B.92.080))~~; and (4) have dependents eighteen years of age or younger who are under their care.

Sec. 48. RCW 28C.18.166 and 2011 1st sp.s. c 11 s 242 are each amended to read as follows:

On an annual basis, each opportunity internship consortium shall provide the board with a list of the opportunity internship graduates from the consortium. The board shall compile the lists from all consortia and shall notify the office of student financial assistance of the eligibility of each graduate on the lists to receive a ~~((state need))~~ Washington college grant under chapter 28B.92 RCW if the graduate enrolls in a postsecondary program of study within one year of high school graduation.

2. STUDENT LOAN RELIEF

NEW SECTION. Sec. 49. The legislature finds that a postsecondary credential is essential to Washingtonians' ability to attain jobs with good salaries and advancement opportunities, and that meeting the increasing demand for credentialed workers to fill jobs in Washington is essential to the future health of the state's economy. The legislature finds that the amount of debt that individual Washingtonians incur in pursuit of postsecondary credentials represents a growing burden on individuals and on the state's economy at large that negatively impacts individuals' ability to obtain a postsecondary credential, as well as their ability to save for retirement, purchase a home, and start a family. The legislature finds that giving Washingtonians new tools to address this burden is necessary to help make higher education more accessible and affordable.

NEW SECTION. Sec. 50. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Council" means the Washington student achievement council.

(2) "Financial institution" has the same meaning as in RCW 7.88.010.

(3) "Interest rate buy down incentive" means the use of state funds to enable qualified borrowers to receive below market rate interest rates for the purposes of this chapter.

(4) "Loan loss reserve coverage" means partial risk coverage to financial institutions to cover losses on qualified loans according to the terms set forth in the contract between the agency and the financial institution for the purposes of this chapter.

(5) "Program" means the Washington student loan refinancing program.

(6) "Qualified borrower" means an individual meeting all of the following requirements:

(a) Resident of the state of Washington;

(b) Is enrolled in, or has completed, a certificate, associate's, bachelor's, graduate, or professional degree program; and

(c) Other criteria as deemed appropriate by the council.

(7) "Qualified loan" means a loan or a portion of a loan made by a financial institution to a qualified borrower to refinance an existing student loan under the program. Only a federal direct PLUS loan or a private student loan determined by the financial institution to be an educational loan that is nondischargeable in bankruptcy as set forth in 11 U.S.C. Sec. 523 as it existed on January 14, 2019, shall be a qualified loan eligible for refinancing. A qualified loan made under the program shall:

(a) Carry a contractual interest rate at least one-quarter of one percentage point lower than the loan being refinanced, and may be made with the interest rates, fees, and other terms and conditions agreed upon by the financial institution and the qualified borrower; and

(b) Specify that a qualified borrower's obligation under a qualified loan must be discharged if the qualified borrower dies, based on the following:

(i) An original or certified copy of the qualified borrower's death certificate;

(ii) An accurate and complete photocopy of the original or certified copy of the qualified borrower's death certificate;

(iii) An accurate and complete original or certified copy of the qualified borrower's death certificate that is scanned and submitted electronically or sent by facsimile transmission; or

(iv) Verification of the qualified borrower's death through an authoritative federal or state electronic database approved for use by the council.

(8) This section expires July 1, 2029.

NEW SECTION. Sec. 51. (1) Subject to the availability of amounts appropriated for this specific purpose, the Washington student loan refinancing program is created.

(2) The program shall be administered by the council. To execute the program the council shall contract with up to five financial institutions. The financial institutions, in consultation with the council, may leverage the interest rate buy down incentive or the loan loss reserve coverage, or some combination thereof, to refinance existing student loans. In administering the program, the council may:

(a) Impose reasonable limits on the terms of qualified loans;

(b) Impose reasonable limits on the terms of qualified borrowers;

(c) Impose reasonable limits on the use of state funds for the marketing on qualified loan products by financial institutions;

(d) Establish minimum reporting requirements for financial institutions participating in the program;

(e) Establish minimum required disclosures by financial institutions for qualified loans. At a minimum, the disclosures must notify qualified borrowers of the:

(i) Loss of borrower protections including income contingent repayment and public service loan forgiveness options if the qualified borrower is refinancing a federal direct PLUS student loan under this chapter; and

(ii) Estimated total cost of the qualified loan, including accrued interest under this chapter;

(f) Appoint and use advisory committees and the department of financial institutions as needed to provide program guidance and direction;

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

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

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

(3) On a biennial basis beginning July 1, 2020, the council must report to the appropriate committees of the legislature the:

(a) Number of financial institutions currently under contract through the program;

(b) Number of qualified student loans successfully refinanced under the program;

(c) Qualified borrower requirements established by the council and the financial institutions;

(d) Demographic information for borrowers that includes gender, race or ethnicity, income level, and geography; and

(e) Estimated total savings by qualified borrowers with qualified loans as defined by the difference between what the student would have paid under the existing loan and what the student would pay when given the option to refinance.

(4) This section expires July 1, 2029.

NEW SECTION. Sec. 52. Sections 49 through 51 of this act constitute a new chapter in Title 28B RCW.

3. EXPANDING CAREER CONNECTED LEARNING OPPORTUNITIES

NEW SECTION. Sec. 53. (1) The legislature recognizes that in Washington's fast-growing economy local employers need access to a pool of diverse, skilled talent, but too few people are prepared for the career opportunities available. Across the state, there are persistent opportunity gaps in education and employment. Even in today's thriving economy, the path to economic self-sufficiency and fulfillment is difficult for many people.

(2) The legislature intends to scale up high-quality career connected learning opportunities that address persistent educational opportunity gaps and meet the talent needs of employers. Through career connected learning opportunities that are available across communities and regions, individuals can advance their academic learning and build awareness of, exposure to, and preparation for, career opportunities.

(3) In order to create a statewide, sustainable career connected learning system, three areas must be addressed:

(a) Statewide system development through cross-sector coordination;

(b) Directing resources to K-12 and higher education partners to support enrollment in career launch and registered apprenticeship programs and other career connected learning opportunities; and

(c) Support for regional leadership and coordination to facilitate connections between industry and education, implement career connected learning programs, and help young adults and employers to navigate these opportunities.

NEW SECTION. Sec. 54. (1) Within existing resources, a career connected learning cross-agency work group is established to scale up and expand high-quality career connected learning opportunities in communities across the state.

(2) The purpose of the work group is to coordinate agency functions and external partnerships and carry out the duties and responsibilities set forth in section 55 of this act.

(3) The governor shall select the chair of the work group.

(4) The governor's office may consult or contract with entities with expertise in industry and education partnerships to provide staffing support and guidance on industry talent needs. The governor's office may convene additional ad hoc committees that include industry sector advisory groups and leaders including, but not limited to, high-level representatives from education, industry, philanthropy, as well as students, parents, and community partners.

(5) The work group must consist of, but is not limited to, representatives from the following offices and agencies:

(a) The department of labor and industries in consultation with the regulatory apprenticeship council under RCW 49.04.010;

(b) The department of social and health services, including the division of vocational rehabilitation;

(c) The work-integrated learning advisory committee established in RCW 28A.300.196 or its successor;

(d) The education research and data center at the office of financial management;

(e) The employment security department;

(f) The office of the superintendent of public instruction;

(g) The state board of education;

(h) The state board for community and technical colleges;

(i) The student achievement council;

(j) The workforce training and education coordinating board;

(k) One representative of the public baccalaureate institutions;

(l) One representative of the independent four-year institutions of higher education;

(m) The department of children, youth, and families;

(n) The office of the lieutenant governor; and

(o) The office of the governor.

(6) The office of the governor may establish subcommittees of the work group to plan and execute the duties and responsibilities under section 55 of this act.

(7) The work group shall:

(a) Coordinate its strategies and actions related to the common schools with the recommendations of the work-integrated learning advisory committee;

(b) Meet at least six times during the calendar year; and

(c) Report progress to the governor and appropriate committees of the legislature by September 1st annually.

NEW SECTION. Sec. 55. The career connected learning cross-agency work group established in section 54 of this act shall have the following duties and responsibilities:

(1) Advance and promote the career connect Washington vision to create a statewide system for career connected learning and the need for joint action as follows:

(a) Create, and periodically update, clear guidance for endorsing career launch programs to guide quality assurance for the purpose of expanding enrollments by August 1, 2019. Registered apprenticeships as approved by the Washington apprenticeship and training council at the department of labor and industries are considered endorsed career launch programs;

(b) Prioritize activities including coordinating cross-agency and industry sector leadership to advance strategic priorities;

(c) Implement a marketing and communications agenda;

(d) Mobilize private sector and philanthropic leadership and resources to support system building;

(e) Build systemic functions in key agencies and existing systems;

(f) Create a statewide inventory that identifies existing support programs to promote equitable participation in career connected learning, including resources for populations to reengage with educational opportunities;

(g) Develop web sites and other resources, and coordinate current resources managed by the workforce training and education coordinating board, the

student achievement council, and the employment security department, to inform students, employers, and the public about career connected learning opportunities;

(h) Develop financial and other support services to increase access and success in career connected learning for students facing barriers or living in underserved communities;

(i) Address transfer and articulation issues to ensure career launch program participants receive high school and college credit in programs initiated in K-12 or dropout reengagement programs, or college credit in postsecondary programs and registered apprenticeships, and work to expand the portability of credits to the maximum extent possible;

(j) With respect to the portability of credit for the purposes of postsecondary degree attainment, the career connected learning work group shall coordinate when appropriate with the complete Washington program;

(k) Establish clear targets for equity to guide state data development and action by regional partners related to program design and expansion, including specific equity-focused criteria within grant funding processes and strategies; and

(l) Develop data systems and protocols for career connected learning planning and evaluation purposes;

(2) By September 1, 2019, and by each September 1st thereafter, make budget recommendations to the office of financial management, to direct resources to education programs for career connected learning as follows:

(a) Support the K-12 system and the office of the superintendent of public instruction to increase student participation in career connected learning and work-integrated learning programs that include career awareness and exploration, career preparation, and career launch;

(b) Support expansion of innovative program design in registered apprenticeships, year-round and summer programs, and equitable access to dual credit;

(c) Support two-year and four-year institutions of higher education to expand career connected learning enrollments, and specifically:

(i) Build capacity at community and technical colleges to support innovative design in career launch and registered apprenticeship programs, as well as program participation by high school graduates or out-of-school youth;

(ii) Align the use of work-study to support career launch and registered apprenticeship programs; and

(iii) Clarify financial aid eligibility and exclusions from financial aid caps for career launch and registered apprenticeship programs;

(d) Promote innovation in equivalency and credentialing within endorsed career launch and registered apprenticeship programs;

(e) Expand the number of portable credits and credit for prior learning to ensure that career launch programs transfer for high school or college credit to the maximum extent possible; and

(f) Support the registered apprenticeship system and the department of labor and industries to build capacity to expand registered apprenticeship and preapprenticeship programs;

(3) Support regional leadership, program intermediaries, and career connected learning and work-integrated learning navigation and coordination to

expand participation in career connected learning and work-integrated learning opportunities and the implementation of the career connected learning grant program established in section 56 of this act;

(4) Support the formation and operation of regional networks in both rural and urban areas to guide career connected learning and work-integrated learning opportunities that are both tailored to the local needs of students and employers, and designed for portable credentials across education settings and across an industry; and

(5) Develop a data enclave for career connected learning and work-integrated learning to measure progress and ensure equity of opportunity for career connected learning and work-integrated learning, led by the education research and data center at the office of financial management, as follows:

(a) Develop program codes for career connected learning and work-integrated learning opportunities in K-12 and postsecondary education in order to track those programs that are designated as career connected learning programs for each of the three categories set forth in the definition of "career connected learning" in section 57 of this act; and

(b) Collect and disaggregate program participation and outcomes data by race, gender, income, rurality, ability, foster youth, homeless youth, English language learner, and other relevant categories.

NEW SECTION. Sec. 56. (1) Subject to the availability of amounts appropriated for this specific purpose, the career connected learning grant program is established as a competitive grant program to advance the career connect Washington vision under section 55 of this act. The employment security department shall administer the program. The governor's office shall work with the employment security department to establish grant criteria and guide the process for selection with consultation from the career connected learning cross-agency work group.

(2) The purpose of the career connected learning grant program is to create career connected learning opportunities, including career awareness and exploration, career preparation, and career launch programs, that are both tailored to the local needs of students and employers and designed so that students may receive high school or college credit across industries and regions of the state to the maximum extent possible.

(3) The program funds shall be used for two overarching purposes:

(a) Support regional career connected learning and work-integrated learning networks in both rural and urban areas under subsection (5) of this section; and

(b) Support career connected learning program intermediaries working within and across regions who partner with multiple employers, labor partners, and educational institutions, work with K-12 and postsecondary career representatives to develop curricula for new and innovative programs, and scale existing career awareness and exploration, career preparation, and endorsed career launch programs.

(4) The program administrator shall consult with the governor's office and the career connected learning cross-agency work group established in section 54 of this act to develop a formal request for proposal for both the regional career connected learning and work-integrated learning networks and the program intermediaries.

(5)(a) Proposals for regional career connected learning and work-integrated learning networks and intermediaries may be sought from applicants within the geographic areas of the nine educational service districts. Successful applicants shall convene and manage regional, cross-industry networks that will lead to the expansion of career connected learning opportunities.

(b) Regional career connected learning and work-integrated learning network applicants must demonstrate regional knowledge and status as a trusted partner of industry and education stakeholders, a track record of success with career connected learning and aligned initiatives, and a commitment to equity. Regional career connected learning networks may include, but are not limited to, higher education networks, school districts, educational service districts, higher education institutions, workforce development councils, chambers of commerce, industry associations, joint labor management councils, multiemployer training partnerships, economic development councils, and nonprofit organizations.

(6) Eligible program intermediary applicants may include, but are not limited to, new or existing industry associations, joint labor management councils, regional networks, career technical student organizations, postsecondary education and training institutions working with multiple employer partners, state agencies, and other community-based organizations and expanded learning partners.

(7) Program intermediaries must work with appropriate faculty and staff at the state universities, the regional universities, and the state college, and K-12 education representatives, to expand the number of career launch program credits that may be articulated and transferred to postsecondary degree programs.

(8) Subject to the availability of amounts appropriated for this specific purpose, the employment security department, as the administrator of the program, has the authority to utilize funds deposited in the career connected learning account for the purposes of the program.

NEW SECTION. Sec. 57. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Career awareness and exploration" means programs, activities, and events that provide early exposure to jobs and industries. "Career awareness and exploration" are structured programs that include job fairs, guest speakers, job shadows, job site tours, and other similar activities.

(2) "Career connected learning" means a learning experience that is integrated with work-related content and skills in the following three categories: (a) Career awareness and exploration; (b) career preparation; and (c) career launch. "Career connected learning" includes work-integrated learning and work-integrated experiences.

(3)(a) "Career launch programs" means registered apprenticeships and programs that combine the following three elements:

(i) Supervised paid work experience;

(ii) Aligned classroom learning to academic and employer standards. For career launch programs involving the K-12 system, aligned classroom learning must meet educational requirements and standards of the office of the superintendent of public instruction; and

(iii) Culmination in a valuable credential beyond a high school diploma or forty-five college credits towards a two-year or four-year postsecondary credential.

(b) "Career launch programs" include the elements in (a) of this subsection and may be achieved through, but are not limited to, one or more of the following:

(i) A state-approved career and technical education sequence of courses or program of study that include requirements in alignment with RCW 28A.700.030;

(ii) A qualifying degree or credential earned through a community or technical college or university.

(c) "Career launch programs" may be initiated in a secondary education system and completed in a postsecondary education system, or first year of paid employment, as long as all parties jointly plan the program.

(d) "Career launch programs" must be endorsed through the process created under section 55(1)(a) of this act.

(4) "Career preparation programs" means programs that give students hands-on skills and knowledge experience within a particular business, career track, or industry, and help prepare students to work in a professional setting. "Career preparation programs" include career and technical education courses, on-site internships, preapprenticeship programs, and other similar opportunities.

(5) "Complete Washington" means the program established in the 2018 omnibus operating appropriations act, section 117, chapter 299, Laws of 2018, for the purpose of connecting prior learning with postsecondary degree completion.

(6) "Work group" means the career connected learning cross-agency work group established in section 54 of this act.

(7) "Work-integrated learning" has the meaning provided in RCW 28A.630.135.

NEW SECTION. Sec. 58. Where applicable, career awareness and exploration, career connected learning, career launch programs, and career preparation programs are subject to RCW 49.12.121 and 49.12.123 regarding employing minors.

NEW SECTION. Sec. 59. The career connected learning account is created in the state treasury. All receipts from public or private sources provided for the purpose of funding grants under section 56 of this act must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for career connected learning grants.

NEW SECTION. Sec. 60. A new section is added to chapter 28A.700 RCW to read as follows:

(1) Beginning in the 2019-20 school year, to allow students to engage in learning outside of the school day or in a summer program, school districts shall be funded up to one and two-tenths full-time equivalents for career launch programs, as defined in section 57 of this act.

(2) The office of the superintendent of public instruction shall develop procedures to ensure that school districts do not report any student for more than

one and two-tenths full-time equivalent students, combining both the student's high school enrollment and career launch enrollment.

Sec. 61. RCW 28C.18.060 and 2017 c 39 s 4 are each amended to read as follows:

The board, in cooperation with the operating agencies of the state training system and private career schools and colleges, shall:

(1) Concentrate its major efforts on planning, coordination evaluation, policy analysis, and recommending improvements to the state's training system;

(2) Advocate for the state training system and for meeting the needs of employers and the workforce for workforce education and training;

(3) Establish and maintain an inventory of the programs of the state training system, and related state programs, and perform a biennial assessment of the vocational education, training, and adult basic education and literacy needs of the state; identify ongoing and strategic education needs; and assess the extent to which employment, training, vocational and basic education, rehabilitation services, and public assistance services represent a consistent, integrated approach to meet such needs;

(4) Develop and maintain a state comprehensive plan for workforce training and education, including but not limited to, goals, objectives, and priorities for the state training system, and review the state training system for consistency with the state comprehensive plan. In developing the state comprehensive plan for workforce training and education, the board shall use, but shall not be limited to: Economic, labor market, and populations trends reports in office of financial management forecasts; joint office of financial management and employment security department labor force, industry employment, and occupational forecasts; the results of scientifically based outcome, net-impact and cost-benefit evaluations; the needs of employers as evidenced in formal employer surveys and other employer input; and the needs of program participants and workers as evidenced in formal surveys and other input from program participants and the labor community;

(5) In consultation with the student achievement council, review and make recommendations to the office of financial management and the legislature on operating and capital facilities budget requests for operating agencies of the state training system for purposes of consistency with the state comprehensive plan for workforce training and education;

(6) Provide for coordination among the different operating agencies and components of the state training system at the state level and at the regional level;

(7) Develop a consistent and reliable database on vocational education enrollments, costs, program activities, and job placements from publicly funded vocational education programs in this state;

(8)(a) Establish standards for data collection and maintenance for the operating agencies of the state training system in a format that is accessible to use by the board. The board shall require a minimum of common core data to be collected by each operating agency of the state training system;

(b) Develop requirements for minimum common core data in consultation with the office of financial management and the operating agencies of the training system;

(9) Establish minimum standards for program evaluation for the operating agencies of the state training system, including, but not limited to, the use of common survey instruments and procedures for measuring perceptions of program participants and employers of program participants, and monitor such program evaluation;

(10) Every two years administer scientifically based outcome evaluations of the state training system, including, but not limited to, surveys of program participants, surveys of employers of program participants, and matches with employment security department payroll and wage files. Every five years administer scientifically based net-impact and cost-benefit evaluations of the state training system;

(11) In cooperation with the employment security department, provide for the improvement and maintenance of quality and utility in occupational information and forecasts for use in training system planning and evaluation. Improvements shall include, but not be limited to, development of state-based occupational change factors involving input by employers and employees, and delineation of skill and training requirements by education level associated with current and forecasted occupations;

(12) Provide for the development of common course description formats, common reporting requirements, and common definitions for operating agencies of the training system;

(13) Provide for effectiveness and efficiency reviews of the state training system;

(14) In cooperation with the student achievement council, facilitate transfer of credit policies and agreements between institutions of the state training system, and encourage articulation agreements for programs encompassing two years of secondary workforce education and two years of postsecondary workforce education;

(15) In cooperation with the student achievement council, facilitate transfer of credit policies and agreements between private training institutions and institutions of the state training system;

(16) Develop policy objectives for the workforce innovation and opportunity act, P.L. 113-128, or its successor; develop coordination criteria for activities under the act with related programs and services provided by state and local education and training agencies; and ensure that entrepreneurial training opportunities are available through programs of each local workforce development board in the state;

(17) Ensure that the expansion of K-12 and postsecondary opportunities for career connected learning and work-integrated learning, as those terms are defined in section 57 of this act, is incorporated into the state plan adopted for the purposes of the Carl D. Perkins career and technical education improvement act, P.L. 109-270;

(18) Make recommendations to the commission of student assessment, the state board of education, and the superintendent of public instruction, concerning basic skill competencies and essential core competencies for K-12 education. Basic skills for this purpose shall be reading, writing, computation, speaking, and critical thinking, essential core competencies for this purpose shall be English, math, science/technology, history, geography, and critical thinking. The

board shall monitor the development of and provide advice concerning secondary curriculum which integrates vocational and academic education;

~~((18))~~ (19) Establish and administer programs for marketing and outreach to businesses and potential program participants;

~~((19))~~ (20) Facilitate the location of support services, including but not limited to, child care, financial aid, career counseling, and job placement services, for students and trainees at institutions in the state training system, and advocate for support services for trainees and students in the state training system;

~~((20))~~ (21) Facilitate private sector assistance for the state training system, including but not limited to: Financial assistance, rotation of private and public personnel, and vocational counseling;

~~((21))~~ (22) Facilitate the development of programs for school-to-work transition that combine classroom education and on-the-job training, including entrepreneurial education and training, in industries and occupations without a significant number of apprenticeship programs;

~~((22))~~ (23) Include in the planning requirements for local workforce development boards a requirement that the local workforce development boards specify how entrepreneurial training is to be offered through the one-stop system required under the workforce innovation and opportunity act, P.L. 113-128, or its successor;

~~((23))~~ (24) Encourage and assess progress for the equitable representation of racial and ethnic minorities, women, and people with disabilities among the students, teachers, and administrators of the state training system. Equitable, for this purpose, shall mean substantially proportional to their percentage of the state population in the geographic area served. This function of the board shall in no way lessen more stringent state or federal requirements for representation of racial and ethnic minorities, women, and people with disabilities;

~~((24))~~ (25) Participate in the planning and policy development of governor set-aside grants under P.L. 97-300, as amended;

~~((25))~~ (26) Administer veterans' programs, licensure of private vocational schools, the job skills program, and the Washington award for vocational excellence;

~~((26))~~ (27) Allocate funding from the state job training trust fund;

~~((27))~~ (28) Work with the director of commerce to ensure coordination among workforce training priorities and economic development and entrepreneurial development efforts, including but not limited to assistance to industry clusters;

~~((28))~~ (29) Conduct research into workforce development programs designed to reduce the high unemployment rate among young people between approximately eighteen and twenty-four years of age. In consultation with the operating agencies, the board shall advise the governor and legislature on policies and programs to alleviate the high unemployment rate among young people. The research shall include disaggregated demographic information and, to the extent possible, income data for adult youth. The research shall also include a comparison of the effectiveness of programs examined as a part of the research conducted in this subsection in relation to the public investment made in these programs in reducing unemployment of young adults. The board shall report to the appropriate committees of the legislature by November 15, 2008,

and every two years thereafter. Where possible, the data reported to the legislative committees should be reported in numbers and in percentages;

~~((29))~~ (30) Adopt rules as necessary to implement this chapter.

The board may delegate to the director any of the functions of this section.

4. WASHINGTON STATE OPPORTUNITY SCHOLARSHIP

Sec. 62. RCW 28B.145.005 and 2018 c 209 s 5 and 2018 c 114 s 1 are each reenacted and amended to read as follows:

The legislature finds that, despite increases in degree production, there remain acute shortages in high employer demand programs of study, particularly in the science, technology, engineering, and mathematics (STEM) and health care fields of study. According to the workforce training and education coordinating board, seventeen percent of Washington businesses had difficulty finding job applicants in 2010. Eleven thousand employers did not fill a vacancy because they lacked qualified job applicants. Fifty-nine percent of projected job openings in Washington state from now until 2017 will require some form of postsecondary education and training.

It is the intent of the legislature to provide jobs and opportunity by making Washington the place where the world's most productive companies find the world's most talented people. The legislature intends to accomplish this through the creation of the opportunity scholarship and the opportunity expansion programs to: Help mitigate the impact of tuition increases~~((7))~~; increase the number of professional-technical certificates, professional-technical degrees, ~~((and))~~ baccalaureate degrees in high employer demand and other programs, and advanced degrees in health professions ~~((needed in service obligation areas))~~; and invest in programs and students to meet market demands for a knowledge-based economy while filling middle-income jobs with a sufficient supply of skilled workers.

Sec. 63. RCW 28B.145.010 and 2018 c 254 s 9, 2018 c 209 s 6, and 2018 c 114 s 2 are each reenacted and amended to read as follows:

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

(1) "Board" means the opportunity scholarship board.

(2) "Council" means the student achievement council.

(3) "Eligible advanced degree program" means a health professional degree program beyond the baccalaureate level and includes graduate and professional degree programs.

(4) "Eligible county" has the same meaning as "rural county" as defined in RCW 82.14.370 and also includes any county that shares a common border with Canada and has a population of over one hundred twenty-five thousand.

(5) "Eligible education programs" means high employer demand and other programs of study as determined by the board.

(6) "Eligible expenses" means reasonable expenses associated with the costs of acquiring an education such as tuition, books, equipment, fees, room and board, and other expenses as determined by the program administrator in consultation with the council and the state board for community and technical colleges.

(7) "Eligible school district" means a school district of the second class as identified in RCW 28A.300.065(2).

(8) "Eligible student" means a resident student who received his or her high school diploma or high school equivalency certificate as provided in RCW 28B.50.536 in Washington and who:

(a)(i) Has been accepted at a four-year institution of higher education into an eligible education program leading to a baccalaureate degree;

(ii) Will attend a two-year institution of higher education and intends to transfer to an eligible education program at a four-year institution of higher education;

(iii) Has been accepted at an institution of higher education into a professional-technical degree program in an eligible education program; ~~((~~or~~))~~

(iv) Has been accepted at an institution of higher education into a professional-technical certificate program in an eligible education program; or

(v) Has been accepted at an institution of higher education into an eligible advanced degree program ~~((and has agreed to the service obligation established by the board))~~ that leads to credentials in health professions;

(b) Declares an intention to obtain a professional-technical certificate, professional-technical degree, ~~((~~or~~))~~ baccalaureate degree~~((~~+~~))~~, or an advanced degree; and

(c) Has a family income at or below one hundred twenty-five percent of the state median family income at the time the student applies for an opportunity scholarship.

(9) "Gift aid" means financial aid received from the federal Pell grant, the ~~((state need))~~ Washington college grant program in chapter 28B.92 RCW, the college bound scholarship program in chapter 28B.118 RCW, the opportunity grant program in chapter 28B.50 RCW, ~~((the opportunity scholarship program in this chapter,))~~ or any other state grant, scholarship, or worker retraining program that provides funds for educational purposes with no obligation of repayment. "Gift aid" does not include student loans, work-study programs, the basic food employment and training program administered by the department of social and health services, or other employment assistance programs that provide job readiness opportunities and support beyond the costs of tuition, books, and fees.

(10) "High employer demand program of study" has the same meaning as provided in RCW 28B.50.030.

(11) "Participant" means an eligible student who has received a scholarship under the opportunity scholarship program.

(12) "Private sources," "private funds," "private contributions," or "private sector contributions" means donations from private organizations, corporations, federally recognized Indian tribes, municipalities, counties, and other sources, but excludes state dollars.

(13) "Professional-technical certificate" means a program as approved by the state board for community and technical colleges under RCW 28B.50.090(7)(c), that is offered by an institution of higher education.

~~((13))~~ (14) "Professional-technical degree" means a program as approved by the state board for community and technical colleges under RCW 28B.50.090(7)(c), that is offered by an institution of higher education.

~~((14))~~ (15) "Program administrator" means a private nonprofit corporation registered under Title 24 RCW and qualified as a tax-exempt entity under section 501(c)(3) of the federal internal revenue code.

~~((15))~~ (16) "Resident student" has the same meaning as provided in RCW 28B.15.012.

~~((16))~~ (17) "Rural jobs program" means the rural county high employer demand jobs program created in this chapter.

~~((17) "Service obligation" means an obligation by the participant to be employed in a service obligation area in the state for a specific period to be established by the board.~~

~~(18) "Service obligation area" means a location that meets one of the following conditions:~~

~~(a) Has been designated by the council as an eligible site under the health professional conditional scholarship program established under chapter 28B.115 RCW;~~

~~(b) Serves at least forty percent uninsured or medicaid-enrolled patients;~~

~~(c) Is located in a rural county as defined in RCW 82.14.370 and serves a combination of uninsured, medicaid-enrolled patients, and medicare-enrolled patients, equal to at least forty percent of the practice location's total patients; or~~

~~(d) Serves a public agency, nonprofit organization, or local health jurisdiction as defined in RCW 43.70.575 by providing public health services necessary to preserve, protect, and promote the health of the state's population, as determined by the board after consultation with the department of health.)~~

Sec. 64. RCW 28B.145.020 and 2018 c 254 s 2, 2018 c 209 s 7, and 2018 c 114 s 3 are each reenacted and amended to read as follows:

(1) The opportunity scholarship board is created. The board consists of eleven members:

(a) Six members appointed by the governor. For three of the six appointments, the governor shall consider names from a list provided by the president of the senate and the speaker of the house of representatives; and

(b) Five foundation or business and industry representatives appointed by the governor from among the state's most productive industries such as aerospace, manufacturing, health care, information technology, engineering, agriculture, and others, as well as philanthropy. The foundation or business and industry representatives shall be selected from among nominations provided by the private sector donors to the opportunity scholarship and opportunity expansion programs. However, the governor may request, and the private sector donors shall provide, an additional list or lists from which the governor shall select these representatives.

(2) Board members shall hold their offices for a term of four years from the first day of September and until their successors are appointed. No more than the terms of two members may expire simultaneously on the last day of August in any one year.

(3) The members of the board shall elect one of the business and industry representatives to serve as chair.

(4) Seven members of the board constitute a quorum for the transaction of business. In case of a vacancy, or when an appointment is made after the date of expiration of the term, the governor or the president of the senate or the speaker of the house of representatives, depending upon which made the initial appointment to that position, shall fill the vacancy for the remainder of the term of the board member whose office has become vacant or expired.

(5) The board shall be staffed by a program administrator, under contract with the board and the council.

(6) The purpose of the board is to provide oversight and guidance for the opportunity expansion (~~((program))~~) program, the opportunity scholarship program(~~(s-[program]))~~), and the rural jobs program, in light of established legislative priorities and to fulfill the duties and responsibilities under this chapter, including but not limited to determining eligible education programs and eligible advanced degree programs for purposes of the opportunity scholarship program and rural jobs program. In determining eligible advanced degree programs, the board shall consider advanced degree programs that lead to credentials in health professions that include, but are not limited to, primary care, dental care, behavioral health, and public health. Duties, exercised jointly with the program administrator, include soliciting funds and setting annual fund-raising goals.

(7) The board may report to the governor and the appropriate committees of the legislature with recommendations as to:

(a) Whether some or all of the scholarships should be changed to conditional scholarships that must be repaid in the event the participant does not complete the eligible education program;

(b) A source or sources of funds for the opportunity expansion program in addition to the voluntary contributions of the high-technology research and development tax credit under RCW 82.32.800; and

(c) Whether the program should include a loan repayment or low-interest or no-interest loan component for the advanced degree portion of the program.

~~((8) The board shall report to the governor and the appropriate committees of the legislature by December 1st of each biennium, beginning December 1, 2019, on the following:~~

~~(a) A list of the eligible advanced degree programs and service obligation areas;~~

~~(b) The number of participants in eligible advanced degree programs, the number of participants completing their service obligations in a service obligation area, and the number of participants who have completed their service obligation; and~~

~~(c) The number of participants who did not complete their service obligation who now owe a repayment obligation and the reasons why the participants did not complete their service obligations.))~~

Sec. 65. RCW 28B.145.030 and 2018 c 209 s 8, 2018 c 204 s 2, and 2018 c 114 s 4 are each reenacted and amended to read as follows:

(1) The program administrator shall provide administrative support to execute the duties and responsibilities provided in this chapter, including but not limited to publicizing the program, selecting participants for the opportunity scholarship award, distributing opportunity scholarship awards, and achieving the maximum possible rate of return on investment of the accounts in subsection (2) of this section, while ensuring transparency in the investment decisions and processes. Duties, exercised jointly with the board, include soliciting funds and setting annual fund-raising goals. The program administrator shall be paid an administrative fee as determined by the board.

(2) With respect to the opportunity scholarship program, the program administrator shall:

(a) Establish and manage (~~three separate~~) the specified accounts created in (b) of this subsection, into which to receive grants and contributions from private sources as well as state matching funds, and from which to disburse scholarship funds to participants;

(b) Solicit and accept grants and contributions from private sources, via direct payment, pledge agreement, or escrow account, of private sources for deposit into any of the (~~three~~) specified accounts created in this subsection (2)(b) upon the direction of the donor and in accordance with this subsection (2)(b):

(i) The "scholarship account," whose principal may be invaded, and from which scholarships must be disbursed for baccalaureate programs beginning no later than December 1, 2011, if, by that date, state matching funds in the amount of five million dollars or more have been received. Thereafter, scholarships shall be disbursed on an annual basis beginning no later than May 1, 2012, and every October 1st thereafter;

(ii) The "student support pathways account," whose principal may be invaded, and from which scholarships may be disbursed for professional-technical certificate or degree programs in the fiscal year following appropriations of state matching funds. Thereafter, scholarships shall be disbursed on an annual basis;

(iii) The "advanced degrees pathways account," whose principal may be invaded, and from which scholarships may be disbursed for eligible advanced degree programs in the fiscal year following appropriations of state matching funds. Thereafter, scholarships shall be disbursed on an annual basis;

(iv) The "endowment account," from which scholarship moneys may be disbursed for baccalaureate programs from earnings only in years when:

(A) The state match has been made into both the scholarship and the endowment account; and

(B) The state appropriations for the (~~state need~~) Washington college grant program under chapter 28B.92 RCW (~~28B.92.010~~) meet or exceed state appropriations for the state need grant made in the 2011-2013 biennium, adjusted for inflation, and eligibility for (~~state need~~) Washington college grant recipients is at least seventy percent of state median family income;

(v) An amount equal to at least fifty percent of all grants and contributions must be deposited into the scholarship account until such time as twenty million dollars have been deposited into the scholarship account, after which time the private donors may designate whether their contributions must be deposited to the scholarship account, the student support pathways account, the advanced degrees pathways account, or the endowment account(~~s~~). The board and the program administrator must work to maximize private sector contributions to (~~the scholarship account, the student support pathways account, the advanced degrees pathways account, and the endowment account.~~) these accounts to maintain a robust scholarship program while simultaneously building the endowment, and to determine the division between the (~~scholarship, the student support pathways, the advanced degrees pathways, and the endowment~~) accounts in the case of undesignated grants and contributions, taking into account the need for a long-term funding mechanism and the short-term needs of families and students in Washington. The first five million dollars in state match, as provided in RCW 28B.145.040, shall be deposited into the scholarship

account and thereafter the state match shall be deposited into the ~~((three))~~ specified accounts created in this subsection (2)(b) in equal proportion to the private funds deposited in each account, except that no more than one million dollars in state match shall be deposited into the advanced degrees pathways account in a single fiscal biennium; and

(vi) Once moneys in the opportunity scholarship match transfer account are subject to an agreement under RCW 28B.145.050(5) and are deposited in the scholarship account, the student support pathways account, the advanced degrees pathways account, or the endowment account under this section, the state acts in a fiduciary rather than ownership capacity with regard to those assets. Assets in the scholarship account, the student support pathways account, the advanced degrees pathways account, and the endowment account are not considered state money, common cash, or revenue to the state;

(c) Provide proof of receipt of grants and contributions from private sources to the council, identifying the amounts received by name of private source and date, and whether the amounts received were deposited into the scholarship account, the student support pathways account, the advanced degrees pathways account, or the endowment account~~((s))~~;

(d) In consultation with the council and the state board for community and technical colleges, make an assessment of the reasonable annual eligible expenses associated with eligible education programs and eligible advanced degree programs identified by the board;

(e) Determine the dollar difference between tuition fees charged by institutions of higher education in the 2008-09 academic year and the academic year for which an opportunity scholarship is being distributed;

(f) Develop and implement an application, selection, and notification process for awarding opportunity scholarships;

(g) Ensure that if the private source is from a federally recognized Indian tribe, municipality, or county, an amount at least equal to the value of the private source plus the state match is awarded to participants within that federally recognized Indian tribe, municipality, or county according to the federally recognized Indian tribe's, municipality's, or county's program rules;

(h) Determine the annual amount of the opportunity scholarship for each selected participant. The annual amount shall be at least one thousand dollars or the amount determined under (e) of this subsection, but may be increased on an income-based, sliding scale basis up to the amount necessary to cover all reasonable annual eligible expenses as assessed pursuant to (d) of this subsection, or to encourage participation in professional-technical certificate programs, professional-technical degree programs, ~~((or))~~ baccalaureate degree programs, or eligible advanced degree programs identified by the board;

~~((h))~~ (i) Distribute scholarship funds to selected participants. Once awarded, and to the extent funds are available for distribution, an opportunity scholarship shall be automatically renewed as long as the participant annually submits documentation of filing both a free application for federal student aid (FAFSA) and for available federal education tax credits including, but not limited to, the American opportunity tax credit, or if ineligible to apply for federal student aid, the participant annually submits documentation of filing a state financial aid application as approved by the office of student financial assistance; and until the participant withdraws from or is no longer attending the

program, completes the program, or has taken the credit or clock hour equivalent of one hundred twenty-five percent of the published length of time of the participant's program, whichever occurs first;

~~((†))~~ (j) Notify institutions of scholarship recipients who will attend their institutions and inform them of the terms of the students' eligibility; and

~~((†) Establish a required service obligation))~~ (k) For participants enrolled in an eligible advanced degree program, ~~((and establish a process for verifying a))~~ document each participant's employment ~~((in a service obligation area; and~~

~~(k) Establish a repayment obligation and appeals process for participants who serve less than the required service obligation, unless the program administrator determines the circumstances are beyond the participant's control. If the participant is unable to pay the repayment obligation in full, the participant may enter into payment arrangements with the program administrator. The program administrator is responsible for the collection of repayment obligations on behalf of participants who fail to complete their service obligation))~~ following graduation.

(3) With respect to the opportunity expansion program, the program administrator shall:

(a) Assist the board in developing and implementing an application, selection, and notification process for making opportunity expansion awards; and

(b) Solicit and accept grants and contributions from private sources for opportunity expansion awards.

Sec. 66. RCW 28B.145.040 and 2018 c 209 s 9 and 2018 c 114 s 5 are each reenacted and amended to read as follows:

(1) The opportunity scholarship program is established.

(2) The purpose of this scholarship program is to provide scholarships that will help low and middle-income Washington residents earn professional-technical certificates, professional-technical degrees, ~~((†))~~ baccalaureate degrees in high employer demand and other programs of study, and advanced degrees in health professions ~~((needed in service obligation areas)),~~ and encourage them to remain in the state to work. The program must be designed for students starting professional-technical certificate or degree programs, students starting at two-year institutions of higher education and intending to transfer to four-year institutions of higher education, students starting at four-year institutions of higher education, and students enrolled in ~~((††))~~ eligible advanced degree programs.

(3) The opportunity scholarship board shall determine which programs of study, including but not limited to high employer demand programs, are eligible for purposes of the opportunity scholarship. For eligible advanced degree programs, the board shall limit scholarships to eligible students enrolling in programs that lead to credentials in health professions ~~((needed in service obligation areas)).~~

(4)~~(a)~~ The source of funds for the program shall be a combination of private grants and contributions and state matching funds. A state match may be earned under this section for private contributions made on or after June 6, 2011.

(b) The state match must be based on donations and pledges received as of the date each official state caseload forecast is submitted by the caseload forecast council to the legislative fiscal committees, as provided under RCW 43.88C.020.

The purpose of this subsection (4)(b) is to ensure the predictable treatment of the program in the budget process by clarifying the calculation process of the state match required by this section and ensuring the program is budgeted at maintenance level.

(c) A state match, up to a maximum of fifty million dollars annually, shall be provided beginning the later of January 1, 2014, or January 1st next following the end of the fiscal year in which collections of state retail sales and use tax, state business and occupation tax, and state public utility tax exceed, by ten percent the amounts collected from these tax resources in the fiscal year that ended June 30, 2008, as determined by the department of revenue.

Sec. 67. RCW 28B.145.090 and 2018 c 254 s 3, 2018 c 209 s 10, and 2018 c 114 s 6 are each reenacted and amended to read as follows:

(1) The board may elect to have the state investment board invest the funds in the scholarship account, the student support pathways account, the advanced degrees pathways account, and the endowment account described under RCW 28B.145.030(2)(b). If the board so elects, the state investment board has the full power to invest, reinvest, manage, contract, sell, or exchange investment money in ~~((the three))~~ these accounts. All investment and operating costs associated with the investment of money shall be paid under RCW 43.33A.160 and 43.84.160. With the exception of these expenses, the earnings from the investment of the money shall be retained by the accounts.

(2) All investments made by the state investment board shall be made with the exercise of that degree of judgment and care under RCW 43.33A.140 and the investment policy established by the state investment board.

(3) As deemed appropriate by the state investment board, money in the scholarship account, the student support pathways account, the advanced degrees pathways account, and the endowment account may be commingled for investment with other funds subject to investment by the state investment board.

(4) Members of the state investment board shall not be considered an insurer of the funds or assets and are not liable for any action or inaction.

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

(6) The authority to establish all policies relating to the scholarship account, the student support pathways account, the advanced degrees pathways account, and the endowment account, other than the investment policies as provided in subsections (1) through (3) of this section, resides with the board and program administrator acting in accordance with the principles set forth in this chapter. With the exception of expenses of the state investment board in subsection (1) of this section, disbursements from the scholarship account, the student support pathways account, the advanced degrees pathways account, and the endowment account shall be made only on the authorization of the opportunity scholarship board or its designee, and moneys in the accounts may be spent only for the purposes specified in this chapter.

(7) The state investment board shall routinely consult and communicate with the board on the investment policy, earnings of the accounts, and related needs of the program.

NEW SECTION. Sec. 68. A new section is added to chapter 28B.145 RCW to read as follows:

The office of student financial assistance and the institutions of higher education may not consider awards made under the opportunity scholarship program to be state-funded for the purpose of determining the value of an award for other state financial aid programs.

5. WORKING CONNECTIONS CHILD CARE PROGRAM

NEW SECTION. Sec. 69. (1) The legislature recognizes the following:

(a) In Washington, over forty-six thousand community and technical college students, which represents twenty-three percent of all community and technical college students in the state, are parents of dependent children. Student parents represent more than one-quarter of community and technical college students in Washington who receive financial aid. Financial assistance however, does not sufficiently cover many student parents' college expenses.

(b) Caregiving demands affect student parents' ability to devote the time needed to succeed in school. Nearly three-quarters of women community college students living with dependents report spending over twenty hours per week caring for dependents. Many of these students report that care demands are likely to lead them to drop out: Forty-three percent of women and thirty-seven percent of men at two-year institutions who live with children say they are likely or very likely to withdraw from college to care for dependents.

(c) In addition, child care costs represent a large financial burden for parents who are in college. The annual cost of full-time, center-based infant care averages over thirteen thousand dollars in Washington. Given the financial pressures experienced by student parents, both married and single, assistance with paying for quality child care services could dramatically improve their ability to make ends meet and complete their higher education programs.

(d) Work requirements imposed on student parents as a condition for receiving child care assistance can have negative consequences for parents in education or job training. Students working more than fifteen hours per week achieve significantly lower college attainment compared with those who work fewer hours. Nationally, fifty-eight percent of community college student parents who work fifteen or more hours per week leave school without earning a credential within six years of enrollment, compared with forty-eight percent who work less than fifteen hours per week.

(2) Therefore, the legislature intends to improve access and completion rates of student parents enrolled in community and technical colleges by reducing existing restrictions to subsidized child care.

Sec. 70. RCW 43.216.135 and 2019 c ... (Second Substitute House Bill No. 1303) s 2 are each amended to read as follows:

(1) The department shall establish and implement policies in the working connections child care program to promote stability and quality of care for children from low-income households. These policies shall focus on supporting school readiness for young learners. Policies for the expenditure of funds constituting the working connections child care program must be consistent with the outcome measures established by the department and the standards established in this section intended to promote stability, quality, and continuity of early care and education programming.

(2) As recommended by Public Law 113-186, authorizations for the working connections child care subsidy shall be effective for twelve months beginning July 1, 2016, unless an earlier date is provided in the omnibus appropriations act.

(3) Existing child care providers serving nonschool-age children and receiving state subsidy payments must complete the following requirements to be eligible for a state subsidy under this section:

(a) Enroll in the early achievers program by August 1, 2016;

(b) Complete level 2 activities in the early achievers program by August 1, 2017; and

(c) Rate at a level 3 or higher in the early achievers program by December 31, 2019. If a child care provider rates below a level 3 by December 31, 2019, the provider must complete remedial activities with the department, and rate at a level 3 or higher no later than June 30, 2020.

(4) Effective July 1, 2016, a new child care provider serving nonschool-age children and receiving state subsidy payments must complete the following activities to be eligible to receive a state subsidy under this section:

(a) Enroll in the early achievers program within thirty days of receiving the initial state subsidy payment;

(b) Complete level 2 activities in the early achievers program within twelve months of enrollment; and

(c) Rate at a level 3 or higher in the early achievers program within thirty months of enrollment. If a child care provider rates below a level 3 within thirty months from enrollment into the early achievers program, the provider must complete remedial activities with the department, and rate at a level 3 or higher within six months of beginning remedial activities.

(5) If a child care provider does not rate at a level 3 or higher following the remedial period, the provider is no longer eligible to receive state subsidy under this section.

(6) If a child care provider serving nonschool-age children and receiving state subsidy payments has successfully completed all level 2 activities and is waiting to be rated by the deadline provided in this section, the provider may continue to receive a state subsidy pending the successful completion of the level 3 rating activity.

(7) The department shall implement tiered reimbursement for early achievers program participants in the working connections child care program rating at level 3, 4, or 5.

(8) The department shall account for a child care copayment collected by the provider from the family for each contracted slot and establish the copayment fee by rule.

(9)(a) The department shall establish and implement policies in the working connections child care program to allow eligibility for families with children who:

(i) In the last six months have:

(A) Received child protective services as defined and used by chapters 26.44 and 74.13 RCW;

(B) Received child welfare services as defined and used by chapter 74.13 RCW; or

(C) Received services through a family assessment response as defined and used by chapter 26.44 RCW;

(ii) Have been referred for child care as part of the family's case management as defined by RCW 74.13.020; and

(iii) Are residing with a biological parent or guardian.

(b) Children who are eligible for working connections child care pursuant to this subsection do not have to keep receiving services identified in this subsection to maintain twelve-month authorization. The department of social and health services' involvement with the family referred for working connections child care ends when the family's child protective services, child welfare services, or family assessment response case is closed.

(10)(a) Beginning August 1, 2020, the department may not require an applicant or consumer to meet work requirements as a condition of receiving working connections child care benefits when the applicant or consumer is:

(i) A single parent;

(ii) A full-time student of a community, technical, or tribal college; and

~~((iii))~~ (iii) Pursuing ((a certificate in nursing, early childhood education, a mental health profession, or paraeducation)) vocational education that leads to a degree or certificate in a specific occupation, not to result in a bachelor's or advanced degree.

(b) An applicant or consumer is a full-time student for the purposes of this subsection if he or she meets the college's definition of a full-time student. The student must ~~((be maintaining))~~ maintain passing grades and be in good standing pursuant to college attendance requirements.

(c) Nothing in this subsection is intended to change how applicants or consumers are prioritized when applicants or consumers are placed on a wait list for working connections child care benefits.

NEW SECTION. Sec. 71. A new section is added to chapter 28B.50 RCW to read as follows:

Nothing in RCW 43.216.135 requires a community or technical college to expand any of its existing child care facilities. Any additional child care services provided by a community or technical college as a result of RCW 43.216.135 must be provided within existing resources and existing facilities.

HEALTH PROFESSIONAL LOAN REPAYMENT PROGRAM

Sec. 72. RCW 28B.115.070 and 2017 3rd sp.s. c 1 s 958 are each amended to read as follows:

(1) After June 1, 1992, the department, in consultation with the office and the department of social and health services, shall:

(a) Determine eligible credentialed health care professions for the purposes of the loan repayment and scholarship program authorized by this chapter. Eligibility shall be based upon an assessment that determines that there is a shortage or insufficient availability of a credentialed profession so as to jeopardize patient care and pose a threat to the public health and safety. The department shall consider the relative degree of shortages among professions when determining eligibility. The department may add or remove professions from eligibility based upon the determination that a profession is no longer in shortage. Should a profession no longer be eligible, participants or eligible students who have received scholarships shall be eligible to continue to receive

scholarships or loan repayments until they are no longer eligible or until their service obligation has been completed;

(b) Determine health professional shortage areas for each of the eligible credentialed health care professions.

(2) ~~((For the 2017-2019 fiscal biennium, consideration for eligibility shall also be given to registered nursing students who have been accepted into an eligible nursing education program and have declared an intention to teach nursing upon completion of the nursing education program.))~~ For the 2019-2021 fiscal biennium, eligibility for loan repayment shall also be given to chiropractors.

VETERAN AND NATIONAL GUARD TUITION WAIVERS

Sec. 73. RCW 28B.15.621 and 2018 c 129 s 1 are each amended to read as follows:

(1) The legislature finds that active military and naval veterans, reserve military and naval veterans, and national guard members called to active duty have served their country and have risked their lives to defend the lives of all Americans and the freedoms that define and distinguish our nation. The legislature intends to honor active military and naval veterans, reserve military and naval veterans, and national guard members who have served on active military or naval duty for the public service they have provided to this country.

(2) Subject to the limitations in RCW 28B.15.910, the governing boards of the state universities, the regional universities, The Evergreen State College, and the community and technical colleges, may waive all or a portion of tuition and fees for an eligible veteran or national guard member.

(3) The governing boards of the state universities, the regional universities, The Evergreen State College, and the community and technical colleges, may waive all or a portion of tuition and fees for a military or naval veteran who is a Washington domiciliary, but who did not serve on foreign soil or in international waters or in another location in support of those serving on foreign soil or in international waters and who does not qualify as an eligible veteran or national guard member under subsection (8) of this section. However, there shall be no state general fund support for waivers granted under this subsection.

(4) Subject to the conditions in subsection (5) of this section and the limitations in RCW 28B.15.910, the governing boards of the state universities, the regional universities, The Evergreen State College, and the community and technical colleges, shall waive all tuition and fees for the following persons:

(a) A child and the spouse or the domestic partner or surviving spouse or surviving domestic partner of an eligible veteran or national guard member who became totally disabled as a result of serving in active federal military or naval service, or who is determined by the federal government to be a prisoner of war or missing in action; and

(b) A child and the surviving spouse or surviving domestic partner of an eligible veteran or national guard member who lost his or her life as a result of serving in active federal military or naval service.

(5) The conditions in this subsection (5) apply to waivers under subsection (4) of this section.

(a) A child must be a Washington domiciliary between the age of seventeen and twenty-six to be eligible for the tuition waiver. A child's marital status does not affect eligibility.

(b)(i) A surviving spouse or surviving domestic partner must be a Washington domiciliary.

(ii) Except as provided in (b)(iii) of this subsection, a surviving spouse or surviving domestic partner has ten years from the date of the death, total disability, or federal determination of prisoner of war or missing in action status of the eligible veteran or national guard member to receive benefits under the waiver. Upon remarriage or registration in a subsequent domestic partnership, the surviving spouse or surviving domestic partner is ineligible for the waiver of all tuition and fees.

(iii) If a death results from total disability, the surviving spouse has ten years from the date of death in which to receive benefits under the waiver.

(c) Each recipient's continued participation is subject to the school's satisfactory progress policy.

(d) Tuition waivers for graduate students are not required for those who qualify under subsection (4) of this section but are encouraged.

(e) Recipients who receive a waiver under subsection (4) of this section may attend full-time or part-time. Total credits earned using the waiver may not exceed two hundred fifty quarter credits, or the equivalent of semester credits.

(f) Subject to amounts appropriated, recipients who receive a waiver under subsection (4) of this section shall also receive a stipend for textbooks and course materials in the amount of five hundred dollars per academic year, to be divided equally among academic terms and prorated for part-time enrollment.

(6) Required waivers of all tuition and fees under subsection (4) of this section shall not affect permissive waivers of tuition and fees under subsection (3) of this section.

(7) Private vocational schools and private higher education institutions are encouraged to provide waivers consistent with the terms in subsections (2) through (5) of this section.

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

(a) "Child" means a biological child, adopted child, or stepchild.

(b) "Eligible veteran or national guard member" means a Washington domiciliary who was an active or reserve member of the United States military or naval forces, or a national guard member called to active duty, who served in active federal service, under either Title 10 or Title 32 of the United States Code, in a war or conflict fought on foreign soil or in international waters or in support of those serving on foreign soil or in international waters, and if discharged from service, has received an honorable discharge or any other discharge if the sole reason for discharge is due to gender or sexuality.

(c) "Totally disabled" means a person who has been determined to be one hundred percent disabled by the federal department of veterans affairs.

(d) "Washington domiciliary" means a person whose true, fixed, and permanent house and place of habitation is the state of Washington. "Washington domiciliary" includes a person who is residing in rental housing or residing in base housing. In ascertaining whether a child or surviving spouse or surviving domestic partner is domiciled in the state of Washington, public institutions of higher education shall, to the fullest extent possible, rely upon the standards provided in RCW 28B.15.013.

(9) As used in subsection (4) of this section, "fees" includes all assessments for costs incurred as a condition to a student's full participation in coursework and related activities at an institution of higher education.

(10) The governing boards of the state universities, the regional universities, The Evergreen State College, and the community and technical colleges shall report to the higher education committees of the legislature by November 15, 2010, and every two years thereafter, regarding the status of implementation of the waivers under subsection (4) of this section. The reports shall include the following data and information:

- (a) Total number of waivers;
- (b) Total amount of tuition waived;
- (c) Total amount of fees waived;
- (d) Average amount of tuition and fees waived per recipient;
- (e) Recipient demographic data that is disaggregated by distinct ethnic categories within racial subgroups; and
- (f) Recipient income level, to the extent possible.

PART V

WORKFORCE EDUCATION INVESTMENT ASSESSMENT

NEW SECTION. **Sec. 74.** A new section is added to chapter 82.04 RCW to read as follows:

The legislature intends to secure additional revenue via surcharges targeted towards certain industries including select advanced computing businesses.

The legislature intends the provisions of this act to be applied broadly in favor of application of the surcharges. To achieve this intent, any provision within this act that is deemed to be ambiguous by a court of competent jurisdiction, the board of tax appeals, or any other judicial or administrative body, should be construed in favor of application of the surcharges. The rule of statutory construction in favor of the application of the surcharge under this paragraph does not apply on or after January 1, 2022.

(1)(a) Beginning with business activities occurring on or after January 1, 2020, in addition to the taxes imposed under RCW 82.04.290(2), a workforce education investment surcharge is imposed on specified persons. The surcharge is equal to the total amount of tax payable by the person on business activities taxed under RCW 82.04.290(2), before application of any tax credits, multiplied by the rate of twenty percent.

(b) For specified persons who report under one or more tax classifications, this surcharge applies only to business activities taxed under RCW 82.04.290(2).

(c) The surcharge imposed under this subsection (1) must be reported and paid in a manner and frequency as required by the department.

(2) For the purposes of this section, "specified person" means a person who is not subject to the surcharge under subsection (4) of this section and who is primarily engaged within this state in any combination of the following activities:

(a) Computer software publishing or publishing and reproduction. Establishments in this industry carry out operations necessary for producing and distributing computer software, such as designing, providing documentation, assisting in installation, and providing support services to software purchasers. These establishments may design, develop, and publish, or publish only. These

establishments may publish and distribute software remotely through subscriptions and downloads;

(b) Conducting original investigation undertaken on a systematic basis to gain new knowledge or the application of research findings or other scientific knowledge for the creation of new or significantly improved products or processes. Techniques may include modeling and simulation. The industries within this industry group are defined on the basis of the domain of research and on scientific expertise of the establishment;

(c) Putting capital at risk in the process of underwriting securities issues or in making markets for securities and commodities and those acting as agents or brokers between buyers and sellers of securities and commodities, usually charging a commission;

(d) Providing expertise in the field of information technologies through one or more of the following activities: (i) Writing, modifying, testing, and supporting computer software to meet the needs of a particular customer; (ii) planning and designing computer systems that integrate computer hardware, computer software, and communication technologies; (iii) on-site management and operation of clients' computer systems and data processing facilities; or (iv) other professional and technical computer-related advice and services;

(e) Performing central banking functions, such as issuing currency, managing the nation's money supply and international reserves, holding deposits that represent the reserves of other banks and other central banks, and acting as a fiscal agent for the central government;

(f)(i) Purchasing access and network capacity from owners and operators of telecommunications networks and reselling wired and wireless telecommunications services, except satellite, to businesses and households; (ii) providing specialized telecommunications services, such as satellite tracking, communications telemetry, and radar station operation; (iii) providing satellite terminal stations and associated facilities connected with one or more terrestrial systems and capable of transmitting telecommunications to, and receiving telecommunications from, satellite systems; or (iv) providing internet access services or voice over internet protocol services via client-supplied telecommunications connections. Establishments in this industry do not operate as telecommunications carriers. Mobile virtual network operators are included in this industry;

(g)(i) Acting as principals in buying or selling financial contracts, except investment bankers, securities dealers, and commodity contracts dealers; (ii) acting as agents or brokers, except securities brokerages and commodity contracts brokerages, in buying or selling financial contracts; or (iii) providing other investment services except securities and commodity exchanges, such as portfolio management, investment advice, and trust, fiduciary, and custody services;

(h) Supplying information, such as news reports, articles, pictures, and features, to the news media. This industry comprises establishments primarily engaged in providing library or archive services. These establishments are engaged in maintaining collections of documents and facilitating the use of these documents as required to meet the informational, research, educational, or recreational needs of their user. These establishments may also acquire, research, store, preserve, and generally make accessible to the public historical

documents, photographs, maps, audio material, audiovisual material, and other archival material of historical interest. All or portions of these collections may be accessible electronically. This industry comprises establishments engaged in: (i) Publishing and broadcasting content on the internet exclusively; or (ii) operating web sites that use a search engine to generate and maintain extensive databases of internet addresses and content in an easily searchable format, known as web search portals. The publishing and broadcasting establishments in this industry do not provide traditional versions of the content they publish or broadcast. They provide textual, audio, or video content of general or specific interest on the internet exclusively. Establishments known as web search portals often provide additional internet services, such as email, connections to other web sites, auctions, news, and other limited content, and serve as a home base for internet users. This industry comprises establishments primarily engaged in providing other information services, except news syndicates, libraries, archives, internet publishing and broadcasting, and web search portals;

(i) Architectural, engineering, and related services, such as drafting services, building inspection services, geophysical surveying and mapping services, surveying and mapping, except geophysical services and testing services;

(j) Retailing all types of merchandise using nonstore means, such as catalogs, toll-free telephone numbers, electronic media, such as interactive television or the internet, or selling directly to consumers in a nonretail, physical environment. Included in this industry are establishments primarily engaged in retailing from catalog showrooms of mail-order houses;

(k) Providing advice and assistance to businesses and other organizations on management, environmental, scientific, and technical issues;

(l) Providing infrastructure for hosting or data processing services. These establishments may provide specialized hosting activities, such as web hosting, streaming services, or application hosting, or they may provide general time-share mainframe facilities to clients. Data processing establishments provide complete processing and specialized reports from data supplied by clients or provide automated data processing and data entry services;

(m) Facilitating credit intermediation by performing activities, such as arranging loans by bringing borrowers and lenders together and clearing checks and credit card transactions;

(n) Offering legal services, such as those offered by offices of lawyers, offices of notaries, and title abstract and settlement offices, and paralegal services;

(o) Operating or providing access to transmission facilities and infrastructure that they own or lease for the transmission of voice, data, text, sound, and video using wired telecommunications networks. Transmission facilities may be based on a single technology or a combination of technologies. Establishments in this industry use the wired telecommunications network facilities that they operate to provide a variety of services, such as wired telephony services, including voice over internet protocol services, wired audio and video programming distribution, and wired broadband internet services. By exception, establishments providing satellite television distribution services using facilities and infrastructure that they operate are included in this industry;

(p) Providing telecommunications services to other establishments in the telecommunications and broadcasting industries by forwarding and receiving communications signals via a system of satellites or reselling satellite telecommunications;

(q) Operating and maintaining switching and transmission facilities to provide communications via the airwaves. Establishments in this industry have spectrum licenses and provide services using that spectrum, such as cellular phone services, paging services, wireless internet access, and wireless video services;

(r) Extending credit or lending funds raised by credit market borrowing, such as issuing commercial paper or other debt instruments or by borrowing from other financial intermediaries;

(s) Underwriting annuities and insurance policies and investing premiums to build up a portfolio of financial assets to be used against future claims. Direct insurance carriers are establishments that are primarily engaged in initially underwriting and assuming the risk of annuities and insurance policies. Reinsurance carriers are establishments that are primarily engaged in assuming all or part of the risk associated with an existing insurance policy originally underwritten by another insurance carrier. Industries are defined in terms of the type of risk being insured against, such as death, loss of employment because of age or disability, or property damage. Contributions and premiums are set on the basis of actuarial calculations of probable payouts based on risk factors from experience tables and expected investment returns on reserves;

(t) Merchant wholesale distribution of photographic equipment and supplies and office, computer, and computer peripheral equipment and medical, dental, hospital, ophthalmic, and other commercial and professional equipment and supplies;

(u) Operating studios and facilities for the broadcasting of programs on a subscription or fee basis. The broadcast programming is typically narrowcast in nature. These establishments produce programming in their own facilities or acquire programming from external sources. The programming material is usually delivered to a third party, such as cable systems or direct-to-home satellite systems, for transmission to viewers;

(v) Publishing newspapers, magazines, other periodicals, books, directories and mailing lists, and other works, such as calendars, greeting cards, and maps. These works are characterized by the intellectual creativity required in their development and are usually protected by copyright. Publishers distribute or arrange for the distribution of these works. Publishing establishments may create the works in-house, or contract for, purchase, or compile works that were originally created by others. These works may be published in one or more formats, such as print or electronic form, including proprietary electronic networks. Establishments in this industry may print, reproduce, or offer direct access to the works themselves or may arrange with others to carry out such functions. Establishments that both print and publish may fill excess capacity with commercial or job printing. However, the publishing activity is still considered to be the primary activity of these establishments;

(w) Generating, transmitting, or distributing electric power. Establishments in this industry group may perform one or more of the following activities: (i) Operate generation facilities that produce electric energy; (ii) operate

transmission systems that convey the electricity from the generation facility to the distribution system; or (iii) operate distribution systems that convey electric power received from the generation facility or the transmission system to the final consumer;

(x) Providing specialized design services including interior design, industrial design, graphic design, and others, but not including architectural, engineering, and computer systems design;

(y) Assigning rights to assets, such as patents, trademarks, brand names, or franchise agreements, for which a royalty payment or licensing fee is paid to the asset holder;

(z) Acting as agents in selling annuities and insurance policies or providing other employee benefits and insurance related services, such as claims adjustment and third-party administration;

(aa) Business-to-business electronic markets that bring together buyers and sellers of goods using the internet or other electronic means and generally receive a commission or fee for the service. Business-to-business electronic markets for durable and nondurable goods are included in this industry. This industry comprises wholesale trade agents and brokers acting on behalf of buyers or sellers in the wholesale distribution of goods. Agents and brokers do not take title to the goods being sold but rather receive a commission or fee for their service. Agents and brokers for all durable and nondurable goods are included in this industry;

(bb) Accepting deposits or share deposits and in lending funds from these deposits. Within this group, industries are defined on the basis of differences in the types of deposit liabilities assumed and in the nature of the credit extended;

(cc)(i) Manufacturing complete aircraft, missiles, or space vehicles; (ii) manufacturing aerospace engines, propulsion units, auxiliary equipment or parts; (iii) developing and making prototypes of aerospace products; (iv) aircraft conversion; or (v) complete aircraft or propulsion systems overhaul and rebuilding;

(dd) Advertising, public relations, and related services, such as media buying, independent media representation, outdoor advertising, direct mail advertising, advertising material distribution services, and other services related to advertising;

(ee) Providing services, such as auditing of accounting records, designing accounting systems, preparing financial statements, developing budgets, preparing tax returns, processing payrolls, bookkeeping, and billing;

(ff) The independent practice of general or specialized medicine or surgery by businesses comprised of one or more health practitioners having the degree of doctor of medicine or doctor of osteopathy. These practitioners operate private or group practices in their own offices or in the facilities of others, such as hospitals or health maintenance organization medical centers;

(gg) Providing a range of outpatient services, such as family planning, diagnosis and treatment of mental health disorders and alcohol and other substance abuse, and other general or specialized outpatient care by businesses with medical staff;

(hh) Pooling securities or other assets, except insurance and employee benefit funds, on behalf of shareholders, unit holders, or beneficiaries, by legal entities such as investment pools or funds;

(ii) Promoting the interests of an organization's members, except religious organizations, social advocacy organizations, and civic and social organizations. Examples of establishments in this industry are business associations, professional organizations, labor unions, and political organizations;

(jj) Holding the securities of or other equity interests in companies and enterprises for the purpose of owning a controlling interest or influencing management decisions or businesses that administer, oversee, and manage other establishments of the company or enterprise and that normally undertake the strategic or organizational planning and decision-making role of the company or enterprise. Establishments that administer, oversee, and manage may hold the securities of the company or enterprise;

(kk) For medical and diagnostic laboratories, providing analytic or diagnostic services, including body fluid analysis and diagnostic imaging, generally to the medical profession or to the patient on referral from a health practitioner;

(ll) Serving as offices of chief executives and their advisory committees and commissions. This industry includes offices of the president, governors, and mayors, in addition to executive advisory commissions. This industry comprises government establishments serving as legislative bodies and their advisory committees and commissions. Included in this industry are legislative bodies, such as congress, state legislatures, and advisory and study legislative commissions. This industry comprises government establishments primarily engaged in public finance, taxation, and monetary policy. Included are financial administration activities, such as monetary policy, tax administration and collection, custody and disbursement of funds, debt and investment administration, auditing activities, and government employee retirement trust fund administration. This industry comprises government establishments serving as councils and boards of commissioners or supervisors and such bodies where the chief executive is a member of the legislative body itself. This industry comprises American Indian and Alaska Native governing bodies. Establishments in this industry perform legislative, judicial, and administrative functions for their American Indian and Alaska Native lands. Included in this industry are American Indian and Alaska Native councils, courts, and law enforcement bodies. This industry comprises government establishments primarily engaged in providing general support for government. Such support services include personnel services, election boards, and other general government support establishments that are not classified elsewhere in public administration;

(mm) Providing a range of office administrative services, such as financial planning, billing and recordkeeping, personnel, and physical distribution and logistics, for others on a contract or fee basis. These establishments do not provide operating staff to carry out the complete operations of a business;

(nn) Providing professional, scientific, or technical services including marketing research, public opinion polling, photographic services, translation and interpretation services, and veterinary services. This category does not include legal services, accounting, tax preparation, bookkeeping, architectural, engineering, and related services, specialized design services, computer systems design, management, scientific and technical consulting services, scientific research and development services, or advertising services;

(oo) The independent practice of general or specialized dentistry or dental surgery by businesses comprised of one or more health practitioners having the degree of doctor of dental medicine, doctor of dental surgery, or doctor of dental science. These practitioners operate private or group practices in their own offices or in the facilities of others, such as hospitals or health maintenance organization medical centers. They may provide either comprehensive preventive, cosmetic, or emergency care, or specialize in a single field of dentistry;

(pp) The independent practice of general or specialized medicine or surgery, or general or specialized dentistry or dental surgery, by businesses comprised of one or more independent health practitioners, other than physicians and dentists;

(qq) Providing ambulatory health care services.

(3)(a)(i) For the purposes of this section, a person is primarily engaged within this state in any combination of the activities described in subsection (2) of this section if more than fifty percent of the person's cumulative gross amount reportable under this chapter during the entire current or immediately preceding calendar year was generated from engaging in any one or more of the activities described in subsection (2) of this section. For purposes of this subsection, "gross amount reportable" means the total value of products, gross proceeds of sales, and gross income of the business, reportable to the department before application of any tax deductions.

(ii) If a person was not primarily engaged within this state in any combination of the activities described in subsection (2) of this section during the immediately preceding year, and the person is unsure whether the person will be subject to the workforce investment surcharge for the current calendar year until the close of the current calendar year, the person must, if necessary, file corrected returns with the department of revenue to pay any additional tax due under this section for the current calendar year. Payment of additional tax, along with corrected returns, is due and payable when the person's last return for the calendar year during which the tax liability accrued is due and payable. Additional tax due under this section is subject to penalties and interest as provided under chapter 82.32 RCW only if the tax is not paid in full by the date due as provided in this subsection (3)(a)(ii).

(b) The entire amount of gross income of the business received by a person pursuant to a contract under which the person is obligated to perform any activity described under subsection (2) of this section is deemed to be generated from engaging in any one or more of the activities described in subsection (2) of this section.

(4)(a) Beginning with business activities occurring on or after January 1, 2020, in addition to the taxes imposed under RCW 82.04.290(2), a workforce education investment surcharge is imposed on select advanced computing businesses as follows:

(i) For an affiliated group that has worldwide gross revenue of more than twenty-five billion dollars, but not more than one hundred billion dollars, during the entire current or immediately preceding calendar year, the surcharge is equal to the total amount of tax payable by each member of the affiliated group on all business activities taxed under RCW 82.04.290(2), before application of any tax credits, multiplied by the rate of thirty-three and one-third percent.

(ii) For an affiliated group that has worldwide gross revenue of more than one hundred billion dollars during the entire current or immediately preceding calendar year, the surcharge is equal to the total amount of tax payable by each member of the affiliated group on all business activities taxed under RCW 82.04.290(2), before application of any tax credits, multiplied by the rate of sixty-six and two-thirds percent.

(b) In no case will the combined surcharge imposed under this subsection (4) paid by all members of an affiliated group be less than four million dollars or more than seven million dollars annually.

(c) For persons subject to the surcharge imposed under this subsection (4) that report under one or more tax classifications, the surcharge applies only to business activities taxed under RCW 82.04.290(2).

(d) The surcharge imposed under this subsection (4) must be reported and paid in a manner and frequency as required by the department.

(e) To aid in the effective administration of the surcharge in this subsection (4), the department may require persons believed to be engaging in advanced computing or affiliated with a person believed to be engaging in advanced computing to disclose whether they are a member of an affiliated group and, if so, to identify all other members of the affiliated group subject to the surcharge. If the department determines that a person, with intent to evade the surcharge under this subsection (4), failed to fully comply with this subsection (4)(e), the seven million dollar limitation in (b) of this subsection (4) does not apply to the person's affiliated group.

(f) For the purposes of this subsection (4) the following definitions apply:

(i) "Advanced computing" means designing or developing computer software or computer hardware, whether directly or contracting with another person, including modifications to computer software or computer hardware, cloud computing services, or operating an online marketplace, an online search engine, or online social networking platform;

(ii) "Affiliate" and "affiliated" means a person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with another person;

(iii) "Affiliated group" means a group of two or more persons that are affiliated with each other;

(iv) "Cloud computing services" means on-demand delivery of computing resources, such as networks, servers, storage, applications, and services, over the internet;

(v) "Control" means the possession, directly or indirectly, of more than fifty percent of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting shares, by contract, or otherwise; and

(vi) "Select advanced computing business" means a person who is a member of an affiliated group with at least one member of the affiliated group engaging in the business of advanced computing, and the affiliated group has worldwide gross revenue of more than twenty-five billion dollars during the entire current or immediately preceding calendar year. A person who is primarily engaged within this state in the provision of commercial mobile service, as that term is defined in 47 U.S.C Sec. 332(d)(1), shall not be considered a select advanced computing business. A person who is primarily engaged in this state in

the operation and provision of access to transmission facilities and infrastructure that the person owns or leases for the transmission of voice, data, text, sound, and video using wired telecommunications networks shall not be considered a select advanced computing business.

(5) The workforce education investment surcharges under this section do not apply to any hospital as defined in RCW 70.41.020, including any hospital that comes within the scope of chapter 71.12 RCW if the hospital is also licensed under chapter 70.41 RCW.

(6) Revenues from the surcharges under this section must be deposited directly into the workforce education investment account established in section 2 of this act.

(7) The department has the authority to determine through an audit or other investigation whether a person is subject to the surcharges imposed in this section. The department's determination that a person is subject to the surcharge is presumed to be correct unless the person shows by clear, cogent, and convincing evidence that the department's determination was incorrect. The increased evidentiary standard under this subsection (7) does not apply after January 1, 2022.

PART VI MISCELLANEOUS PROVISIONS

NEW SECTION. Sec. 75. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 76. Sections 53 through 59 of this act constitute a new chapter in Title 28C RCW.

NEW SECTION. Sec. 77. Section 74 of this act takes effect January 1, 2020.

NEW SECTION. Sec. 78. Section 70 of this act takes effect only if chapter . . . (Second Substitute House Bill No. 1303), Laws of 2019 is enacted by the effective date of this section.

NEW SECTION. Sec. 79. The following acts or parts of acts are each repealed:

(1) RCW 28B.92.010 (State need grant program established—Purpose) and 2014 c 1 s 1, 2004 c 275 s 34, 1999 c 345 s 2, 1993 sp.s. c 18 s 2, & 1969 ex.s. c 222 s 7;

(2) RCW 28B.92.020 (State need grant program—Findings—Intent) and 2011 1st sp.s. c 11 s 158, 2003 c 19 s 11, & 1999 c 345 s 1;

(3) RCW 28B.92.050 (Powers and duties of office) and 2011 1st sp.s. c 11 s 161, 1999 c 345 s 4, 1989 c 254 s 3, & 1969 ex.s. c 222 s 11;

(4) RCW 28B.92.060 (State need grant awards) and 2012 c 229 s 558;

(5) RCW 28B.92.080 (Eligibility for state need grant) and 2015 c 121 s 1, 2012 c 229 s 605, 2009 c 238 s 9, 2007 c 404 s 1, 2004 c 275 s 39, 1999 c 345 s 6, 1989 c 254 s 5, & 1969 ex.s. c 222 s 13;

(6) RCW 28B.92.082 (Enhanced need grants—Eligibility) and 2012 c 229 s 560 & 2009 c 215 s 3;

(7) RCW 28B.92.084 (Eligibility of opportunity internship graduates) and 2011 1st sp.s. c 11 s 163 & 2009 c 238 s 8;

(8) RCW 28B.97.010 (Washington higher education loan program) and 2011 1st sp.s. c 11 s 174 & 2009 c 215 s 13;

(9) RCW 28B.97.020 (Definitions) and 2012 c 229 s 561, 2011 1st sp.s. c 11 s 175, & 2009 c 215 s 14;

(10) RCW 28B.119.005 (Intent—Finding) and 2002 c 204 s 1;

(11) RCW 28B.119.010 (Program design—Parameters) and 2013 c 39 s 12, 2011 1st sp.s. c 11 s 231, 2004 c 275 s 60, 2003 c 233 s 5, & 2002 c 204 s 2;

(12) RCW 28B.119.020 (Implementation and administration) and 2011 1st sp.s. c 11 s 232 & 2002 c 204 s 3;

(13) RCW 28B.119.030 (Funding for state need grant program not impaired) and 2011 1st sp.s. c 11 s 233, 2004 c 275 s 71, & 2002 c 204 s 4;

(14) RCW 28B.119.040 (Requirements for students receiving home-based instruction not affected) and 2002 c 204 s 5;

(15) RCW 28B.119.050 (Washington promise scholarship account) and 2011 1st sp.s. c 11 s 234 & 2002 c 204 s 6; and

(16) RCW 28B.119.900 (Effective date—2002 c 204) and 2002 c 204 s 9.

NEW SECTION. Sec. 80. This act may be known and cited as the workforce education investment act.

Passed by the House April 28, 2019.

Passed by the Senate April 28, 2019.

Approved by the Governor May 21, 2019.

Filed in Office of Secretary of State May 21, 2019.

CHAPTER 407

[Second Substitute House Bill 1893]

POSTSECONDARY STUDENT ASSISTANCE

AN ACT Relating to providing assistance for postsecondary students, such as access to food or transportation, to help those students remain enrolled; adding a new section to chapter 28B.50 RCW; adding new sections to chapter 43.20A RCW; adding a new section to chapter 28B.92 RCW; creating new sections; and providing contingent expiration dates.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 28B.50 RCW to read as follows:

(1)(a) Subject to availability of amounts appropriated for this specific purpose, the emergency assistance grant program is established to provide students of community and technical colleges monetary aid to assist students experiencing unforeseen emergencies or situations that affect the student's ability to attend classes.

(b) The college board shall administer the competitive grant program in accordance with this section.

(2) The college board shall establish eligibility criteria for community and technical colleges to apply for grants under the grant program. At a minimum, to be eligible for a grant, a community or technical college must:

(a) Demonstrate the need for grant funds. Demonstrating need may include producing demographic data on student income levels, the number of students experiencing food insecurity or homelessness, the number of students who meet the definition of "needy student" under RCW 28B.92.030, the number of

students accessing the college's food pantry, if one is available, and other information specific to the student population;

(b) Ensure that students' access to emergency aid funds will be as low barrier as possible and will not require the student to have to fill out the free application for federal student aid to receive emergency funds. However, the college must require the student to request assistance in writing;

(c) Allow flexibility in which students may apply for emergency aid funds. Students who may not meet the definition of "needy student" but who may be experiencing emergency situations must be able to apply for emergency aid funds; and

(d) Indicate how the college will prioritize the disbursement of emergency aid funds.

(3) In selecting grant recipients, the college board must consider a community or technical college's demonstration of need and the resources and programs already in existence at the college.

(4) A community or technical college shall use grant funds to provide students emergency aid in the form of monetary grants to assist the student in, for example, purchasing food, paying utilities or rent, paying for transportation, child care, or other goods or services that the student needs in order to continue to attend classes. Emergency aid under the grant program is considered a grant and a student is not required to reimburse the community or technical college.

(5) The college board must begin accepting applications for the grant program by December 1, 2019.

(6) The college board shall submit a report to the appropriate committees of the legislature beginning December 1, 2020, and each December 1st thereafter. At a minimum, the report must:

(a) Identify the community and technical colleges receiving grants and the amounts of the grants; and

(b) Summarize how the community and technical colleges distributed funds to students, and provide the number of students, the amounts, and the emergency conditions for which funds were granted.

NEW SECTION. Sec. 2. (1) The legislature finds that students who receive supplemental nutrition assistance program benefits in the form of an electronic benefit transfer card cannot use these benefits to purchase food items from on-campus food retail establishments at institutions of higher education. On-campus food retail establishments or point-of-sale locations such as cafeterias, bookstores, and cafes do not qualify as retail food stores under the federal food and nutrition act of 2008 because these on-campus food retail establishments either do not sell enough categories of staple foods or do not gross over fifty percent of their total sales from staple foods.

(2) The legislature recognizes that students perform better in classes when they are well-nourished, yet finds that students who receive supplemental nutrition assistance program benefits have to travel off campus to use their benefits at a participating vendor, incurring extra travel costs, reducing study time, and causing unnecessary stress.

(3) The legislature finds that this limitation on the use of supplemental nutrition assistance program benefits is a barrier that prevents public and private institutions of higher education from providing equal access to food retail establishments on campuses to all students, faculty, and staff regardless of

economic status. The legislature recognizes that eliminating this barrier is vital to assuring equal access to every aspect of Washington's public and private institutions of higher education.

(4) The legislature intends to have the department of social and health services request a waiver from the United States department of agriculture to allow students to use their electronic benefit transfer card at on-campus food retail establishments at Washington's public and private institutions of higher education.

NEW SECTION. Sec. 3. A new section is added to chapter 43.20A RCW to read as follows:

(1) The department shall, in consultation with the state board for community and technical colleges and the student achievement council, seek all necessary exemptions and waivers from and amendments to federal statutes, rules, and regulations, as set forth in this section. These exemptions and waiver requests shall seek to authorize Washington's public and private institutions of higher education to accept supplemental nutrition assistance program benefits in the form of an electronic benefit transfer card at the institutions' on-campus food retail establishments.

(2) The department shall report to the appropriate legislative committees quarterly on the efforts to secure the federal changes to permit full implementation of this act at the earliest possible date.

(3) In the event that the department is not able to obtain the necessary exemptions, waivers, or amendments referred to in subsection (1) of this section before January 1, 2020, this section expires on that date and has no further force or effect.

NEW SECTION. Sec. 4. A new section is added to chapter 43.20A RCW to read as follows:

(1)(a) For the purposes of community and technical college students' eligibility for the Washington basic food program, the department shall, in consultation with the state board for community and technical colleges, identify educational programs at the community and technical colleges that would meet the requirements of state-approved employment and training programs.

(b) In identifying educational programs, the department must consider science, technology, engineering, and mathematics programs and must be as inclusive as possible of other programs.

(c) The department shall maintain and regularly update a list of identified programs in accordance with 7 C.F.R. Sec. 273.5(b)(11), which provides that a student is eligible for an exemption from eligibility rules if the student's attendance can be described as part of a program to increase the student's employability.

(d) For the purposes of this section, and to the extent allowed by federal law, a student shall be anticipating participation through a work-study program if he or she can reasonably expect or foresee being assigned work-study employment. For the purposes of this subsection: "Anticipation participation" means a student has received approval of work-study as part of a financial aid package and has yet to receive notice from the institution of higher education that he or she has been denied participation in work-study; and "work-study" means the program created in chapter 28B.12 RCW.

(e) The department shall coordinate with the state board of community and technical colleges and the Washington state student achievement council to identify options that could confer categorical eligibility for students who receive state need grants that are funded through temporary assistance for needy families federal or state maintenance of effort dollars. By January 1, 2020, the department must provide a report to the appropriate committees of the legislature that identifies federal assistance options for state need grant recipients.

(2) If the United States department of agriculture requires federal approval of what constitutes state-approved employment and training programs for the purposes of basic food eligibility, the department shall seek federal approval.

NEW SECTION. Sec. 5. A new section is added to chapter 28B.92 RCW to read as follows:

(1) Each institution of higher education shall provide written notification to every student eligible for the state need grant or state work-study program of possible eligibility for the supplemental nutrition assistance program. The written notification must include information on how to apply for the supplemental nutrition assistance program.

(2) In the event the department of social and health services is not able to obtain the necessary exemptions, waivers, or amendments referred to in section 3 of this act before January 1, 2020, this section expires on that date and has no further force and effect.

NEW SECTION. Sec. 6. If any part of this act is found to be in conflict with federal requirements that are a prescribed condition to the allocation of federal funds to the state, the conflicting part of this act is inoperative solely to the extent of the conflict and with respect to the agencies directly affected, and this finding does not affect the operation of the remainder of this act in its application to the agencies concerned. Rules adopted under this act must meet federal requirements that are a necessary condition to the receipt of federal funds by the state.

NEW SECTION. Sec. 7. The department of social and health services must provide written notice of the expiration date of section 3 of this act to affected parties, the chief clerk of the house of representatives, the secretary of the senate, the office of the code reviser, and others as deemed appropriate by the department.

NEW SECTION. Sec. 8. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2019, in the omnibus appropriations act, this act is null and void.

Passed by the House April 25, 2019.

Passed by the Senate April 17, 2019.

Approved by the Governor May 21, 2019.

Filed in Office of Secretary of State May 21, 2019.

CHAPTER 408

[Second Substitute Senate Bill 5437]

EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM--ELIGIBILITY AND PRIORITY

AN ACT Relating to expanding eligibility to the early childhood education and assistance program; amending RCW 43.216.505, 43.216.556, 43.216.512, 43.216.512, 43.216.514, 43.216.555, 43.216.080, 43.216.540, and 43.216.550; adding a new section to chapter 43.216 RCW; creating new sections; providing contingent effective dates; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that the family income eligibility limit of one hundred ten percent of the federal poverty level for the early childhood education and assistance program hinders the state's ability to recruit and enroll qualified families, particularly in rural areas of the state and in tribal communities. This income barrier results in unused preschool slots and growing waiting lists of children who are from low-income families but who are over the established income limits. Therefore, the legislature intends to keep the qualifying income for the early childhood education and assistance program at one hundred ten percent of the federal poverty level for the purposes of entitlement caseload forecasting and allow for the flexibility to serve additional children with family incomes up to two hundred percent of the federal poverty level.

Sec. 2. RCW 43.216.505 and 2017 3rd sp.s. c 6 s 210 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout RCW 43.216.500 through 43.216.559, 43.216.900, and 43.216.901.

(1) "Advisory committee" means the advisory committee under RCW 43.216.520.

(2) "Approved programs" means those state-supported education and special assistance programs which are recognized by the department as meeting the minimum program rules adopted by the department to qualify under RCW 43.216.500 through 43.216.550, 43.216.900, and 43.216.901 and are designated as eligible for funding by the department under RCW 43.216.530 and 43.216.540.

(3) "Comprehensive" means an assistance program that focuses on the needs of the child and includes education, health, and family support services.

(4) "Eligible child" means a three to five-year old child who is not age-eligible for kindergarten ((whose)), is not a participant in a federal or state program providing comprehensive services, and who:

(a) Has a family income ((is)) at or below one hundred ten percent of the federal poverty level, as published annually by the federal department of health and human services(, and includes a child whose family is eligible for public assistance, and who is not a participant in a federal or state program providing comprehensive services)); ((a child))

(b) Is eligible for special education due to disability under RCW 28A.155.020; ((and may include children who are eligible)) or

(c) Meets criteria under rules adopted by the department if the number of such children equals not more than ten percent of the total enrollment in the

early childhood program. ~~((Priority))~~ Preference for enrollment in this group shall be given to children from families with the lowest income, children in foster care, or to eligible children from families with multiple needs.

(5) "Family support services" means providing opportunities for parents to:

- (a) Actively participate in their child's early childhood program;
- (b) Increase their knowledge of child development and parenting skills;
- (c) Further their education and training;
- (d) Increase their ability to use needed services in the community;
- (e) Increase their self-reliance.

Sec. 3. RCW 43.216.556 and 2017 3rd sp.s. c 22 s 1 are each amended to read as follows:

(1) Funding for the program of early learning established under this chapter must be appropriated to the department. ~~((Allocations must be made))~~ The department shall distribute funding to approved early childhood education and assistance program contractors on the basis of eligible children enrolled ~~((with eligible providers))~~.

(2) The program shall be implemented in phases, so that full implementation is achieved in the 2022-23 school year.

(3) ~~((For the initial phase of the early learning program in school years 2011-12 and 2012-13, the legislature shall appropriate funding to the department for implementation of the program in an amount not less than the 2009-2011 enacted budget for the early childhood education and assistance program. The appropriation shall be sufficient to fund an equivalent number of slots as funded in the 2009-2011 enacted budget.~~

~~((4))~~ Beginning in the 2013-14 school year, additional funding for the program must be phased in beginning in school districts providing all day kindergarten programs under RCW 28A.150.315.

~~((5))~~ Funding shall continue to be phased in each year until full statewide implementation of the early learning program is achieved in the 2022-23 school year, at which time any eligible child ~~((shall be))~~ is entitled to be enrolled in the program.

~~((6))~~ (4) School districts and approved community-based early learning providers may contract with the department to provide services under the program. The department shall collaborate with school districts, community-based providers, and educational service districts to promote an adequate supply of approved providers.

Sec. 4. RCW 43.216.512 and 2018 c 155 s 2 are each amended to read as follows:

(1) The department shall adopt rules that allow the ~~((inclusion))~~ enrollment of children in the early childhood education and assistance program, as space is available if the number of such children equals not more than twenty-five percent of total statewide enrollment, whose family income is:

(a) Above one hundred ten percent but less than or equal to one hundred thirty percent of the federal poverty level ~~((if the number of such children equals not more than twenty-five))~~; or

(b) Above one hundred thirty percent but less than or equal to two hundred percent of ~~((total statewide enrollment))~~ the federal poverty level if the child

meets at least one of the risk factor criterion described in subsection (2) of this section.

(2) Children (~~(included)~~) enrolled in the early childhood education and assistance program (~~(under)~~) pursuant to subsection (1)(b) of this section must be (~~(homeless or impacted by specific developmental or environmental)~~) prioritized for available funded slots according to a prioritization system adopted in rule by the department that considers risk factors that (~~(are linked by research to school performance. "Homeless" means without a fixed, regular, and adequate nighttime residence as set forth in the federal McKinney-Vento homeless assistance act, P.L. 100-77, July 22, 1987, 101 Stat. 482, and runaway and homeless youth act, P.L. 93-415, Title III, September 7, 1974, 88 Stat. 1129)~~) have a disproportionate effect on kindergarten readiness and school performance, including:

(a) Family income as a percent of the federal poverty level;

(b) Homelessness;

(c) Child welfare system involvement;

(d) Developmental delay or disability that does not meet the eligibility criteria for special education described in RCW 28A.155.020;

(e) Domestic violence;

(f) English as a second language;

(g) Expulsion from an early learning setting;

(h) A parent who is incarcerated;

(i) A parent with a substance use disorder or mental health treatment need;

and

(j) Other risk factors determined by the department to be linked by research to school performance.

(3) Children (~~(included)~~) enrolled in the early childhood education and assistance program under this section are not (~~(to be)~~) considered eligible children as defined in RCW 43.216.505 and are not considered to be part of the state-funded entitlement required in RCW 43.216.556.

Sec. 5. RCW 43.216.512 and 2018 c 155 s 2 are each amended to read as follows:

(1) The department shall adopt rules that allow the (~~(inclusion)~~) enrollment of children in the early childhood education and assistance program, as space is available if the number of such children equals not more than twenty-five percent of total statewide enrollment, whose family income is:

(a) Above one hundred ten percent but less than or equal to one hundred thirty percent of the federal poverty level (~~(if the number of such children equals not more than twenty-five)~~); or

(b) Above one hundred thirty percent but less than or equal to two hundred percent of (~~(total statewide enrollment)~~) the federal poverty level if the child meets at least one of the risk factor criterion described in subsection (2) of this section.

(2) Children (~~(included)~~) enrolled in the early childhood education and assistance program (~~(under)~~) pursuant to subsection (1)(b) of this section must be (~~(homeless or impacted by specific developmental or environmental)~~) prioritized for available funded slots according to a prioritization system adopted in rule by the department that considers risk factors that (~~(are linked by research to school performance. "Homeless" means without a fixed, regular, and adequate~~

nighttime residence as set forth in the federal McKinney-Vento homeless assistance act, P.L. 100-77, July 22, 1987, 101 Stat. 482, and runaway and homeless youth act, P.L. 93-415, Title III, September 7, 1974, 88 Stat. 1129)) have a disproportionate effect on kindergarten readiness and school performance, including:

(a) Family income as a percent of the federal poverty level;

(b) Homelessness;

(c) Child welfare system involvement;

(d) Developmental delay or disability that does not meet the eligibility criteria for special education described in RCW 28A.155.020;

(e) Domestic violence;

(f) English as a second language;

(g) Expulsion from an early learning setting;

(h) A parent who is incarcerated;

(i) A parent with a substance use disorder or mental health treatment need;

and

(j) Other risk factors determined by the department to be linked by research to school performance.

(3) The department shall adopt rules that allow a child to enroll in the early childhood education and assistance program, as space is available, when the child is not eligible under RCW 43.216.505 and the child turns three years old at any time during the school year when the child:

(a) Has a family income at or below two hundred percent of the federal poverty level or meets at least one risk factor criterion adopted by the department in rule; and

(b) Has received services from or participated in:

(i) The early support for infants and toddlers program;

(ii) The early head start or a successor federal program providing comprehensive services for children from birth through two years of age; or

(iii) The birth to three early childhood education and assistance program, if such a program is established.

(4) Children ((included)) enrolled in the early childhood education and assistance program under this section are not ((to be)) considered eligible children as defined in RCW 43.216.505 and are not considered to be part of the state-funded entitlement required in RCW 43.216.556.

NEW SECTION. Sec. 6. (1) The department of children, youth, and families must consult with the state's federally recognized tribes as described in chapter 43.376 RCW to explore creating a pathway or funding stream within the early childhood education and assistance program to address the unique characteristics of tribal nations in order to substantially close the opportunity gap for tribal children.

(2) By December 1, 2020, the department of children, youth, and families must report related recommendations to the legislature that may include the modification of early childhood education and assistance program eligibility criteria and performance standards.

(3) This section expires December 31, 2020.

Sec. 7. RCW 43.216.514 and 2018 c 155 s 3 are each amended to read as follows:

(1) The department shall prioritize children for enrollment in the early childhood education and assistance program who are eligible pursuant to RCW 43.216.505.

(2) As space is available, children may be included in the early childhood education and assistance program pursuant to RCW 43.216.512. Priority within this group must be given first to children ~~((who are experiencing homelessness, child welfare system involvement, or a developmental delay or disability that does not meet the eligibility criteria for special education adopted under RCW 28A.155.020))~~ with incomes up to one hundred thirty percent of the federal poverty level.

NEW SECTION, Sec. 8. A new section is added to chapter 43.216 RCW to read as follows:

(1) Within resources available under the federal preschool development grant birth to five grant award received in December 2018, the department shall develop a plan for phased implementation of a birth to three early childhood education and assistance program pilot project for eligible children under thirty-six months old. Funds to implement the pilot project may include a combination of federal, state, or private sources.

(2) The department may adopt rules to implement the pilot project and may waive or adapt early childhood education and assistance program requirements when necessary to allow for the operation of the birth to three early childhood education and assistance program. The department shall consider early head start rules and regulations when developing the provider and family eligibility requirements and program requirements. Any deviations from early head start standards, rules, or regulations must be identified and explained by the department in its annual report under subsection (6) of this section.

(3)(a) Upon securing adequate funds to begin implementation, the pilot project programs must be delivered through child care centers and family home providers who meet minimum licensing standards and are enrolled in the early achievers program.

(b) The department must determine minimum early achievers ratings scores for programs participating in the pilot project.

(4) When selecting pilot project locations for service delivery, the department may allow each pilot project location to have up to three classrooms per location. When selecting and approving pilot project locations, the department shall attempt to select a combination of rural, urban, and suburban locations. The department shall prioritize locations with programs currently operating early head start, head start, or the early childhood education and assistance program.

(5) To be eligible for the birth to three early childhood education and assistance program, a child's family income must be at or below one hundred thirty percent of the federal poverty level and the child must be under thirty-six months old.

(6) Beginning November 1, 2020, and each November 1st thereafter during pilot project activity, the department shall submit an annual report to the governor and legislature that includes a status update that describes the planning work completed, the status of funds secured, and any implementation activities of the pilot project. Implementation activity reports must include a description of the participating programs and number of children and families served.

Sec. 9. RCW 43.216.555 and 2018 c 155 s 4 are each amended to read as follows:

(1) ~~((Beginning September 1, 2011,))~~ An early learning program to provide voluntary preschool opportunities for children ages three ~~((and four))~~ to five years ~~((of))~~ old who are not age-eligible for kindergarten shall be implemented according to the funding and implementation plan in RCW 43.216.556. The program must offer a comprehensive program of early childhood education and family support, including parental involvement and health information, screening, and referral services, based on family need. Participation in the program is voluntary. On a space available basis, the program may allow enrollment of children who are not otherwise eligible by assessing a fee.

(2) The program shall be implemented by utilizing the program standards and eligibility criteria in the early childhood education and assistance program in RCW 43.216.500 through 43.216.550.

(3)(a) ~~((Beginning in the 2015-16 school year,))~~ The program implementation in this section shall prioritize early childhood education and assistance programs located in low-income neighborhoods within high-need geographical areas.

(b) Following the priority in (a) of this subsection, preference shall be given to programs meeting at least one of the following characteristics:

- (i) Programs offering an extended day program for early care and education;
- (ii) Programs offering services to children diagnosed with a special need; or
- (iii) Programs offering services to children involved in the child welfare system.

(4) The secretary shall adopt rules for the following program components, as appropriate and necessary during the phased implementation of the program, consistent with early achievers program standards established in RCW 43.216.085:

- (a) Minimum program standards;
 - (b) Approval of program providers; and
 - (c) Accountability and adherence to performance standards.
- (5) The department has administrative responsibility for:

(a) Approving and contracting with providers according to rules developed by the secretary under this section;

(b) In partnership with school districts, monitoring program quality and assuring the program is responsive to the needs of eligible children;

(c) Assuring that program providers work cooperatively with school districts to coordinate the transition from preschool to kindergarten so that children and their families are well-prepared and supported; and

(d) Providing technical assistance to contracted providers.

Sec. 10. RCW 43.216.080 and 2017 c 178 s 2 are each amended to read as follows:

(1) The foundation of quality in the early care and education system in Washington is the quality rating and improvement system entitled the early achievers program. In an effort to build on the existing quality framework, enhance access to quality care for children, and strengthen the entire early care and education systems in the state, it is important to integrate the efforts of state and local governments, school districts, institutions of higher education as defined in RCW 28B.10.016, and nonprofit organizations.

(2) Local governments, school districts, institutions of higher education as defined in RCW 28B.10.016, and nonprofit organizations are encouraged to collaborate with the department when establishing and strengthening early learning programs for residents.

(3) Local governments, school districts, institutions of higher education as defined in RCW 28B.10.016, and nonprofit organizations may contribute funds to the department for the following purposes:

(a) Initial investments to build capacity and quality in local early care and education programming;

(b) Reductions in copayments charged to parents or caregivers;

(c) To expand access and eligibility in the early childhood education and assistance program.

(4) Funds contributed to the department by local governments, school districts, institutions of higher education as defined in RCW 28B.10.016, and nonprofit organizations must be deposited in the early start account established in RCW ((43.215.195)) 43.216.165.

(5) Children enrolled in the early childhood education and assistance program with funds contributed in accordance with subsection (3)(c) of this section are not considered to be eligible children as defined in RCW ((43.215.405)) 43.216.505 and are not considered to be part of the state-funded entitlement required in RCW ((43.215.456)) 43.216.556.

Sec. 11. RCW 43.216.540 and 1994 c 166 s 10 are each amended to read as follows:

For the purposes of RCW ((28A.215.100)) 43.216.500 through ((28A.215.200)) 43.216.550 and ((28A.215.900 through 28A.215.908)) 43.216.900 and 43.216.901, the department may award state support under RCW ((28A.215.100)) 43.216.500 through ((28A.215.160)) 43.216.530 to increase the numbers of eligible children assisted by the federal or state-supported early childhood programs in this state. Priority shall be given to those geographical areas which include a high percentage of families qualifying under the "eligible child" criteria. The overall program funding level shall be based on an average grant per child consistent with state appropriations made for program costs: PROVIDED, That programs addressing special needs of selected groups or communities shall be recognized in the department's rules.

Sec. 12. RCW 43.216.550 and 1994 c 166 s 11 are each amended to read as follows:

The department may solicit gifts, grants, conveyances, bequests and devises for the use or benefit of the early childhood state education and assistance program established by RCW ((28A.215.100)) 43.216.500 through ((28A.215.200)) 43.216.550 and ((28A.215.900 through 28A.215.908)) 43.216.900 and 43.216.901. The department shall actively solicit support from business and industry and from the federal government for the state early childhood education and assistance program and shall assist local programs in developing partnerships with the community for eligible children.

NEW SECTION. Sec. 13. (1) Section 5 of this act takes effect only if chapter . . . (Substitute Senate Bill No. 5089), Laws of 2019 is enacted by the effective date of this section.

(2) Section 4 of this act takes effect only if section 5 of this act does not take effect by the effective date of this section.

Passed by the Senate April 22, 2019.

Passed by the House April 11, 2019.

Approved by the Governor May 21, 2019.

Filed in Office of Secretary of State May 21, 2019.

CHAPTER 409

[Substitute Senate Bill 5089]

EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM--ENROLLMENT OF THREE YEAR OLDS

AN ACT Relating to increasing early learning access for children ages three and older; amending RCW 43.216.512 and 43.216.512; and providing contingent effective dates.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 43.216.512 and 2018 c 155 s 2 are each amended to read as follows:

(1) The department shall adopt rules that allow the inclusion of children in the early childhood education and assistance program whose family income is above one hundred ten percent of the federal poverty level if the number of such children equals not more than twenty-five percent of total statewide enrollment.

(2) ~~((Children included in the early childhood education and assistance program under this section must be homeless or impacted by specific developmental or environmental risk factors that are linked by research to school performance. "Homeless" means without a fixed, regular, and adequate nighttime residence as set forth in the federal McKinney-Vento homeless assistance act, P.L. 100-77, July 22, 1987, 101 Stat. 482, and runaway and homeless youth act, P.L. 93-415, Title III, September 7, 1974, 88 Stat. 1129.))~~
The department shall adopt rules that allow a child to enroll in the early childhood education and assistance program, as space is available, when the child is not eligible under RCW 43.216.505 and the child turns three years old at any time during the school year when the child:

(a) Has a family income at or below two hundred percent of the federal poverty level or meets at least one risk factor criterion adopted by the department in rule; and

(b) Has received services from or participated in:

(i) The early support for infants and toddlers program;

(ii) The early head start or a successor federal program providing comprehensive services for children from birth through two years of age; or

(iii) The birth to three early childhood education and assistance program, if such a program is established.

(3) Children included in the early childhood education and assistance program under this section are not to be considered eligible children as defined in RCW 43.216.505 and are not considered to be part of the state-funded entitlement required in RCW 43.216.556.

Sec. 2. RCW 43.216.512 and 2018 c 155 s 2 are each amended to read as follows:

(1) The department shall adopt rules that allow the ~~((inclusion))~~ enrollment of children in the early childhood education and assistance program, as space is available if the number of such children equals not more than twenty-five percent of total statewide enrollment, whose family income is:

(a) Above one hundred ten percent but less than or equal to one hundred thirty percent of the federal poverty level ~~((if the number of such children equals not more than twenty-five))~~; or

(b) Above one hundred thirty percent but less than or equal to two hundred percent of ~~((total statewide enrollment))~~ the federal poverty level if the child meets at least one of the risk factor criterion described in subsection (2) of this section.

(2) Children ~~((included))~~ enrolled in the early childhood education and assistance program ~~((under))~~ pursuant to subsection (1)(b) of this section must be ~~((homeless or impacted by specific developmental or environmental))~~ prioritized for available funded slots according to a prioritization system adopted in rule by the department that considers risk factors that ~~((are linked by research to school performance. "Homeless" means without a fixed, regular, and adequate nighttime residence as set forth in the federal McKinney-Vento homeless assistance act, P.L. 100-77, July 22, 1987, 101 Stat. 482, and runaway and homeless youth act, P.L. 93-415, Title III, September 7, 1974, 88 Stat. 1129))~~ have a disproportionate effect on kindergarten readiness and school performance, including:

(a) Family income as a percent of the federal poverty level;

(b) Homelessness;

(c) Child welfare system involvement;

(d) Developmental delay or disability that does not meet the eligibility criteria for special education described in RCW 28A.155.020;

(e) Domestic violence;

(f) English as a second language;

(g) Expulsion from an early learning setting;

(h) A parent who is incarcerated;

(i) A parent with a substance use disorder or mental health treatment need;
and

(j) Other risk factors determined by the department to be linked by research to school performance.

(3) The department shall adopt rules that allow a child to enroll in the early childhood education and assistance program, as space is available, when the child is not eligible under RCW 43.216.505 and the child turns three years old at any time during the school year when the child:

(a) Has a family income at or below two hundred percent of the federal poverty level or meets at least one risk factor criterion adopted by the department in rule; and

(b) Has received services from or participated in:

(i) The early support for infants and toddlers program;

(ii) The early head start or a successor federal program providing comprehensive services for children from birth through two years of age; or

(iii) The birth to three early childhood education and assistance program, if such a program is established.

(4) Children (~~(included)~~) enrolled in the early childhood education and assistance program under this section are not (~~(to be)~~) considered eligible children as defined in RCW 43.216.505 and are not considered to be part of the state-funded entitlement required in RCW 43.216.556.

NEW SECTION. Sec. 3. (1) Section 2 of this act takes effect only if chapter . . . (Second Substitute Senate Bill No. 5437), Laws of 2019 is enacted by the effective date of this section.

(2) Section 1 of this act takes effect only if section 2 of this act does not take effect by the effective date of this section.

Passed by the Senate April 22, 2019.

Passed by the House April 12, 2019.

Approved by the Governor May 21, 2019.

Filed in Office of Secretary of State May 21, 2019.

CHAPTER 410

[Engrossed Substitute Senate Bill 5313]

SCHOOL LEVIES AND LOCAL EFFORT ASSISTANCE

AN ACT Relating to school levies and local effort assistance; and amending RCW 28A.500.015, 84.52.0531, 28A.320.330, and 43.09.2856.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 28A.500.015 and 2018 c 266 s 303 are each amended to read as follows:

(1) Beginning in calendar year (~~(2019)~~)2020 and each calendar year thereafter, the state must provide state local effort assistance funding to supplement school district enrichment levies as provided in this section.

(2)(a) For an eligible school district(~~(s)~~)with an actual enrichment levy rate that is less than one dollar and fifty cents per thousand dollars of assessed value in the school district, the annual local effort assistance funding is equal to the school district's maximum local effort assistance multiplied by a fraction equal to the school district's actual enrichment levy rate divided by one dollar and fifty cents per thousand dollars of assessed value in the school district(~~(s maximum allowable)~~).

(b) For an eligible school district with an actual enrichment levy rate that is equal to or greater than one dollar and fifty cents per thousand dollars of assessed value in the school district, the annual local effort assistance funding is equal to the school district's maximum local effort assistance.

(c) Beginning in calendar year 2022, for state-tribal education compact schools established under chapter 28A.715 RCW, the annual local effort assistance funding is equal to the actual enrichment levy per student as calculated by the superintendent of public instruction for the previous year for the school district in which the state-tribal education compact school is located, up to a maximum per student amount of one thousand five hundred fifty dollars as increased by inflation from the 2019 calendar year, multiplied by the student enrollment of the state-tribal education compact school in the prior school year.

(d) For a school district that meets the criteria in this subsection and is located west of the Cascades in a county that borders another state, the annual local effort assistance funding is equal to the local effort assistance funding

authorized under (b) of this subsection and additional local effort assistance funding equal to the following amounts:

(i) Two hundred forty-six dollars per pupil in the 2019-20 school year for a school district with more than twenty-five thousand annual full-time equivalent students; and

(ii) Two hundred eighty-six dollars per pupil in the 2019-20 school year for a school district with more than twenty thousand annual full-time equivalent enrolled students but fewer than twenty-five thousand annual full-time equivalent enrolled students.

(3) The state local effort assistance funding provided under this section is not part of the state's program of basic education deemed by the legislature to comply with the requirements of Article IX, section 1 of the state Constitution.

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

(a) "Eligible school district" means a school district (~~whose maximum allowable enrichment~~) where the amount generated by a levy of one dollar and fifty cents per thousand dollars of assessed value in the school district, divided by the school district's total student enrollment in the prior school year, is less than the state local effort assistance threshold.

(b) For the purpose of this section, "inflation" means, for any school year, the rate of the yearly increase of the previous calendar year's annual average consumer price index for all urban consumers, Seattle area, using the official current base compiled by the bureau of labor statistics, United States department of labor.

~~(c) ("Maximum allowable enrichment levy" means the maximum levy permitted by RCW 84.52.0531.~~

~~(d))~~ "Maximum local effort assistance" means the difference between the following:

(i) The school district's actual prior school year enrollment multiplied by the state local effort assistance threshold; and

(ii) The amount generated by a levy of one dollar and fifty cents per thousand dollars of assessed value in the school district (~~'s maximum allowable enrichment levy~~).

~~((e))~~ ~~(d)~~ "Prior school year" means the most recent school year completed prior to the year in which the state local effort assistance funding is to be distributed.

~~((f))~~ ~~(e)~~ "State local effort assistance threshold" means one thousand five hundred fifty dollars per student, increased for inflation beginning in calendar year 2020.

~~((g))~~ ~~(f)~~ "Student enrollment" means the average annual full-time equivalent student enrollment.

(5) For districts in a high/nonhigh relationship, the enrollments of the nonhigh students attending the high school shall only be counted by the nonhigh school districts for purposes of funding under this section.

(6) For school districts participating in an innovation academy cooperative established under RCW 28A.340.080, enrollments of students attending the academy shall be adjusted so that each participant district receives its proportional share of student enrollments for purposes of funding under this section.

Sec. 2. RCW 84.52.0531 and 2018 c 266 s 307 are each amended to read as follows:

(1) Beginning with taxes levied for collection in ~~((2019))2020~~, the maximum dollar amount which may be levied by or for any school district for enrichment levies under RCW 84.52.053 is equal to the lesser of ~~((one))two~~ dollars and fifty cents per thousand dollars of the assessed value of property in the school district or the maximum per-pupil limit. This maximum dollar amount shall be reduced accordingly as provided under RCW 43.09.2856(2).

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

(a) For the purpose of this section, "inflation" means, for any school year, the rate of the yearly increase of the previous calendar year's annual average consumer price index for all urban consumers, Seattle area, using the official current base compiled by the bureau of labor statistics, United States department of labor.

(b) "Maximum per-pupil limit" means:

(i) Two thousand five hundred dollars, as increased by inflation beginning with property taxes levied for collection in 2020, multiplied by the number of average annual full-time equivalent students enrolled in the school district in the prior school year, for school districts with fewer than forty thousand annual full-time equivalent students enrolled in the school district in the prior school year;
or

(ii) Three thousand dollars, as increased by inflation beginning with property taxes levied for collection in 2020, multiplied by the number of average annual full-time equivalent students enrolled in the school district in the prior school year, for school districts with forty thousand or more annual full-time equivalent students enrolled in the school district in the prior school year. ~~((Beginning with property taxes levied for collection in 2020, the maximum per-pupil limit shall be increased by inflation.))~~

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

(3) For districts in a high/nonhigh relationship, the enrollments of the nonhigh students attending the high school shall only be counted by the nonhigh school districts for purposes of funding under this section.

(4) For school districts participating in an innovation academy cooperative established under RCW 28A.340.080, enrollments of students attending the academy shall be adjusted so that each participant district receives its proportional share of student enrollments for purposes of funding under this section.

(5) Beginning with propositions for enrichment levies for collection in calendar year 2020 and thereafter, a district must receive approval of an enrichment levy expenditure plan under RCW 28A.505.240 before submission of the proposition to the voters.

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

(7) Beginning with taxes levied for collection in 2018, enrichment levy revenues must be deposited in a separate subfund of the school district's general fund pursuant to RCW 28A.320.330, and for the 2018-19 school year are subject

to the restrictions of RCW 28A.150.276 and the audit requirements of RCW 43.09.2856.

(8) Funds collected from levies for transportation vehicles, construction, modernization, or remodeling of school facilities as established in RCW 84.52.053 are not subject to the levy limitations in subsections (1) through (5) of this section.

Sec. 3. RCW 28A.320.330 and 2018 c 266 s 302 are each amended to read as follows:

School districts shall establish the following funds in addition to those provided elsewhere by law:

(1)(a) A general fund for the school district to account for all financial operations of the school district except those required to be accounted for in another fund.

(b) By the 2018-19 school year, a local revenue subfund of its general fund to account for the financial operations of a school district that are paid from local revenues. The local revenues that must be deposited in the local revenue subfund are enrichment levies and transportation vehicle levies collected under RCW 84.52.053, local effort assistance funding received under chapter 28A.500 RCW, and other school district local revenues including, but not limited to, grants, donations, and state and federal payments in lieu of taxes, but do not include other federal revenues, or local revenues that operate as an offset to the district's basic education allocation under RCW 28A.150.250. School districts must track expenditures from this subfund separately to account for the expenditure of each of these streams of revenue by source, and must provide ~~((any))the~~ supplemental expenditure schedule ~~((s))under~~ (c) of this subsection, and any other supplemental expenditure schedules required by the superintendent of public instruction or state auditor, for purposes of RCW 43.09.2856.

(c) Beginning in the 2019-20 school year, the superintendent of public instruction must require school districts to provide a supplemental expenditure schedule by revenue source that identifies the amount expended by object for each of the following supplementary enrichment activities beyond the state funded amount:

(i) Minimum instructional offerings under RCW 28A.150.220 or 28A.150.260 not otherwise included on other lines;

(ii) Staffing ratios or program components under RCW 28A.150.260, including providing additional staff for class size reduction beyond class sizes allocated in the prototypical school model and additional staff beyond the staffing ratios allocated in the prototypical school formula;

(iii) Program components under RCW 28A.150.200, 28A.150.220, or 28A.150.260, not otherwise included on other lines;

(iv) Program components to support students in the program of special education;

(v) Program components of professional learning, as defined by RCW 28A.415.430, beyond that allocated under RCW 28A.150.415;

(vi) Extracurricular activities;

(vii) Extended school days or an extended school year;

(viii) Additional course offerings beyond the minimum instructional program established in the state's statutory program of basic education;

(ix) Activities associated with early learning programs;

(x) Activities associated with providing the student transportation program;

(xi) Any additional salary costs attributable to the provision or administration of the enrichment activities allowed under RCW 28A.150.276;

(xii) Additional activities or enhancements that the office of the superintendent of public instruction determines to be a documented and demonstrated enrichment of the state's statutory program of basic education under RCW 28A.150.276; and

(xiii) All other costs not otherwise identified in other line items.

(d) For any salary and related benefit costs identified in (c)(xi), (xii), and (xiii) of this subsection, the school district shall maintain a record describing how these expenditures are documented and demonstrated enrichment of the state's statutory program of basic education. School districts shall maintain these records until the state auditor has completed the audit under RCW 43.09.2856.

(2) A capital projects fund shall be established for major capital purposes. All statutory references to a "building fund" shall mean the capital projects fund so established. Money to be deposited into the capital projects fund shall include, but not be limited to, bond proceeds, proceeds from excess levies authorized by RCW 84.52.053, state apportionment proceeds as authorized by RCW 28A.150.270, earnings from capital projects fund investments as authorized by RCW 28A.320.310 and 28A.320.320, and state forest revenues transferred pursuant to subsection (3) of this section.

Money derived from the sale of bonds, including interest earnings thereof, may only be used for those purposes described in RCW 28A.530.010, except that accrued interest paid for bonds shall be deposited in the debt service fund.

Money to be deposited into the capital projects fund shall include but not be limited to rental and lease proceeds as authorized by RCW 28A.335.060, and proceeds from the sale of real property as authorized by RCW 28A.335.130.

Money legally deposited into the capital projects fund from other sources may be used for the purposes described in RCW 28A.530.010, and for the purposes of:

(a) Major renovation and replacement of facilities and systems where periodical repairs are no longer economical or extend the useful life of the facility or system beyond its original planned useful life. Such renovation and replacement shall include, but shall not be limited to, major repairs, exterior painting of facilities, replacement and refurbishment of roofing, exterior walls, windows, heating and ventilating systems, floor covering in classrooms and public or common areas, and electrical and plumbing systems.

(b) Renovation and rehabilitation of playfields, athletic fields, and other district real property.

(c) The conduct of preliminary energy audits and energy audits of school district buildings. For the purpose of this section:

(i) "Preliminary energy audits" means a determination of the energy consumption characteristics of a building, including the size, type, rate of energy consumption, and major energy using systems of the building.

(ii) "Energy audit" means a survey of a building or complex which identifies the type, size, energy use level, and major energy using systems; which determines appropriate energy conservation maintenance or operating procedures and assesses any need for the acquisition and installation of energy

conservation measures, including solar energy and renewable resource measures.

(iii) "Energy capital improvement" means the installation, or modification of the installation, of energy conservation measures in a building which measures are primarily intended to reduce energy consumption or allow the use of an alternative energy source.

(d) Those energy capital improvements which are identified as being cost-effective in the audits authorized by this section.

(e) Purchase or installation of additional major items of equipment and furniture: PROVIDED, That vehicles shall not be purchased with capital projects fund money.

(f)(i) Costs associated with implementing technology systems, facilities, and projects, including acquiring hardware, licensing software, and online applications and training related to the installation of the foregoing. However, the software or applications must be an integral part of the district's technology systems, facilities, or projects.

(ii) Costs associated with the application and modernization of technology systems for operations and instruction including, but not limited to, the ongoing fees for online applications, subscriptions, or software licenses, including upgrades and incidental services, and ongoing training related to the installation and integration of these products and services. However, to the extent the funds are used for the purpose under this subsection (2)(f)(ii), the school district shall transfer to the district's general fund the portion of the capital projects fund used for this purpose. The office of the superintendent of public instruction shall develop accounting guidelines for these transfers in accordance with internal revenue service regulations.

(g) Major equipment repair, painting of facilities, and other major preventative maintenance purposes. However, to the extent the funds are used for the purpose under this subsection (2)(g), the school district shall transfer to the district's general fund the portion of the capital projects fund used for this purpose. The office of the superintendent of public instruction shall develop accounting guidelines for these transfers in accordance with internal revenue service regulations. Based on the district's most recent two-year history of general fund maintenance expenditures, funds used for this purpose may not replace routine annual preventive maintenance expenditures made from the district's general fund.

(3) A debt service fund to provide for tax proceeds, other revenues, and disbursements as authorized in chapter 39.44 RCW. State forestland revenues that are deposited in a school district's debt service fund pursuant to RCW 79.64.110 and to the extent not necessary for payment of debt service on school district bonds may be transferred by the school district into the district's capital projects fund.

(4) An associated student body fund as authorized by RCW 28A.325.030.

(5) Advance refunding bond funds and refunded bond funds to provide for the proceeds and disbursements as authorized in chapter 39.53 RCW.

Sec. 4. RCW 43.09.2856 and 2018 c 266 s 406 are each amended to read as follows:

(1) Beginning with the 2019-20 school year, to ensure that school district local revenues are used solely for purposes of enriching the state's statutory

program of basic education, the state auditor's regular financial audits of school districts must include a review of the expenditure of school district local revenues for compliance with RCW 28A.150.276, including the spending plan approved by the superintendent of public instruction under RCW 28A.505.240 and its implementation, and any supplemental contracts entered into under RCW 28A.400.200. The audit must also include a review of the expenditure schedule and supporting documentation required by RCW 28A.320.330(1)(c).

(2) If an audit under subsection (1) of this section results in findings that a school district has failed to comply with these requirements, then within ninety days of completing the audit the auditor must report the findings to the superintendent of public instruction, the office of financial management, and the education and operating budget committees of the legislature. If the superintendent of public instruction receives a report of findings from the state auditor that an expenditure of a school district is out of compliance with the requirements of RCW 28A.150.276, and the finding is not resolved in the subsequent audit, the maximum taxes levied for collection by the school district under RCW 84.52.0531 in the following calendar year shall be reduced by the expenditure amount identified by the state auditor.

(3) The use of the state allocation provided for professional learning under RCW 28A.150.415 must be audited as part of the regular financial audits of school districts by the state auditor's office to ensure compliance with the limitations and conditions of RCW 28A.150.415.

Passed by the Senate April 28, 2019.

Passed by the House April 28, 2019.

Approved by the Governor May 21, 2019.

Filed in Office of Secretary of State May 21, 2019.

CHAPTER 411

[Engrossed Substitute House Bill 2140]

K-12 EDUCATION FUNDING

AN ACT Relating to K-12 education funding; amending RCW 84.52.065, 28A.300.780, 28A.320.330 41.05.011, 41.05.050, 28A.400.350, and 28C.---.---; creating a new section; providing a contingent effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 84.52.065 and 2018 c 295 s 1 are each amended to read as follows:

STATE PROPERTY TAX DEPOSIT.

(1) Except as otherwise provided in this section, subject to the limitations in RCW 84.55.010, in each year the state must levy for collection in the following year for the support of common schools of the state a tax of three dollars and sixty cents per thousand dollars of assessed value upon the assessed valuation of all taxable property within the state adjusted to the state equalized value in accordance with the indicated ratio fixed by the state department of revenue.

(2)(a) In addition to the tax authorized under subsection (1) of this section, the state must levy an additional property tax for the support of common schools of the state.

(i) For taxes levied for collection in calendar years 2018 through 2021, the rate of tax is the rate necessary to bring the aggregate rate for state property tax levies levied under this subsection and subsection (1) of this section to a combined rate of two dollars and forty cents per thousand dollars of assessed value in calendar year 2019 and two dollars and seventy cents per thousand dollars of assessed value in calendar years 2018, 2020, and 2021. The state property tax levy rates provided in this subsection (2)(a)(i) are based upon the assessed valuation of all taxable property within the state adjusted to the state equalized value in accordance with the indicated ratio fixed by the state department of revenue.

(ii) For taxes levied for collection in calendar year 2022 and thereafter, the tax authorized under this subsection (2) is subject to the limitations of chapter 84.55 RCW.

(b)(i) Except as otherwise provided in this subsection, all taxes collected under this subsection (2) must be deposited into the state general fund.

(ii) For fiscal year 2019, (~~nine hundred thirty five million dollars of~~) taxes collected under this subsection (2) must be deposited into the education legacy trust account for the support of common schools.

(3) For taxes levied for collection in calendar years 2019 through 2021, the state property taxes levied under subsections (1) and (2) of this section are not subject to the limitations in chapter 84.55 RCW.

(4) For taxes levied for collection in calendar year 2022 and thereafter, the aggregate rate limit for state property taxes levied under subsections (1) and (2) of this section is three dollars and sixty cents per thousand dollars of assessed value upon the assessed valuation of all taxable property within the state adjusted to the state equalized value in accordance with the indicated ratio fixed by the state department of revenue.

(5) For property taxes levied for collection in calendar years 2019 through 2021, the rate of tax levied under subsection (1) of this section is the actual rate that was levied for collection in calendar year 2018 under subsection (1) of this section.

(6) As used in this section, "the support of common schools" includes the payment of the principal and interest on bonds issued for capital construction projects for the common schools.

Sec. 2. RCW 28A.300.780 and 2018 c 266 s 401 are each amended to read as follows:

HOLD HARMLESS.

(1) For the 2018-19 and 2019-20 school years, the office of the superintendent of public instruction shall allocate a hold-harmless payment to school districts if the sum of (b) of this subsection is greater than the sum of (a) of this subsection for either of the respective school years or if a school district meets the criteria under subsection (2) of this section.

(a) The current school year is calculated as the sum of (a)(i) through (iii) of this subsection using the enrollments and values in effect for that school year for the school district's:

(i) Formula-driven state allocations in part V of the state omnibus appropriations act for these programs: General apportionment, employee compensation adjustments, pupil transportation, special education programs,

institutional education programs, transitional bilingual programs, highly capable, and learning assistance programs;

(ii) Local effort assistance funding received under chapter 28A.500 RCW; and

(iii) The lesser of the school district's voter-approved enrichment levy collection or the maximum levy authority provided under RCW 84.52.0531 for ~~((the previous calendar))~~ that school year.

(b) The baseline school year is calculated as the sum of (b)(i) through (iii) of this subsection using the current school year enrollments and the values in effect during the 2017-18 school year for the school district's:

(i) Formula-driven state allocations in part V of the state omnibus appropriations act for these programs: General apportionment, employee compensation adjustments, pupil transportation, special education programs, institutional education programs, transitional bilingual programs, highly capable, and learning assistance programs;

(ii) Local effort assistance funding received under chapter 28A.500 RCW; and

(iii) Maintenance and operation levy collection under RCW 84.52.0531 in the 2017 calendar year.

(2) From amounts appropriated in chapter 266, Laws of 2018, the superintendent of public instruction must prioritize hold harmless payments to districts that meet both the following criteria:

(a) The sum of the school district's enrichment levy under RCW 84.52.0531 and 2017 3rd sp.s. c 13 s 203 and local effort assistance under RCW 28A.500.015 is less than half of the sum of the maintenance and operations levy and local effort assistance provided under law as it existed on January 1, 2017. For purposes of the calculation in this subsection, the maintenance and operations levy is limited to the lesser of the voter-approved levy as of January 1, 2017, or the maximum levy under law as of January 1, 2017; and

(b) The adjusted assessed value of property within the school district as calculated by the department of revenue is greater than twenty billion dollars in calendar year 2017.

(3) Districts eligible for hold-harmless payments under subsection (1) of this section shall receive the difference between subsection (1)(b) and (a) of this section through the apportionment payment process in RCW 28A.510.250.

(4) The voters of the school district must approve an enrichment levy under RCW 84.52.0531 to be eligible for a hold-harmless payment under this section.

(5) This section expires December 31, 2020.

Sec. 3. RCW 28A.320.330 and 2018 c 266 s 302 are each amended to read as follows:

School districts shall establish the following funds in addition to those provided elsewhere by law:

(1)(a) A general fund for the school district to account for all financial operations of the school district except those required to be accounted for in another fund.

(b) By the 2018-19 school year, a local revenue subfund of its general fund to account for the financial operations of a school district that are paid from local revenues. The local revenues that must be deposited in the local revenue subfund are enrichment levies and transportation vehicle levies collected under RCW

84.52.053, local effort assistance funding received under chapter 28A.500 RCW, and other school district local revenues including, but not limited to, grants, donations, and state and federal payments in lieu of taxes, but do not include other federal revenues, or local revenues that operate as an offset to the district's basic education allocation under RCW 28A.150.250. School districts must track expenditures from this subfund separately to account for the expenditure of each of these streams of revenue by source, and must provide any supplemental expenditure schedules required by the superintendent of public instruction or state auditor for purposes of RCW 43.09.2856.

(2) A capital projects fund shall be established for major capital purposes. All statutory references to a "building fund" shall mean the capital projects fund so established. Money to be deposited into the capital projects fund shall include, but not be limited to, bond proceeds, proceeds from excess levies authorized by RCW 84.52.053, state apportionment proceeds as authorized by RCW 28A.150.270, earnings from capital projects fund investments as authorized by RCW 28A.320.310 and 28A.320.320, and state forest revenues transferred pursuant to subsection (3) of this section.

Money derived from the sale of bonds, including interest earnings thereof, may only be used for those purposes described in RCW 28A.530.010, except that accrued interest paid for bonds shall be deposited in the debt service fund.

Money to be deposited into the capital projects fund shall include but not be limited to rental and lease proceeds as authorized by RCW 28A.335.060, and proceeds from the sale of real property as authorized by RCW 28A.335.130.

Money legally deposited into the capital projects fund from other sources may be used for the purposes described in RCW 28A.530.010, and for the purposes of:

(a) Major renovation and replacement of facilities and systems where periodical repairs are no longer economical or extend the useful life of the facility or system beyond its original planned useful life. Such renovation and replacement shall include, but shall not be limited to, major repairs, exterior painting of facilities, replacement and refurbishment of roofing, exterior walls, windows, heating and ventilating systems, floor covering in classrooms and public or common areas, and electrical and plumbing systems.

(b) Renovation and rehabilitation of playfields, athletic fields, and other district real property.

(c) The conduct of preliminary energy audits and energy audits of school district buildings. For the purpose of this section:

(i) "Preliminary energy audits" means a determination of the energy consumption characteristics of a building, including the size, type, rate of energy consumption, and major energy using systems of the building.

(ii) "Energy audit" means a survey of a building or complex which identifies the type, size, energy use level, and major energy using systems; which determines appropriate energy conservation maintenance or operating procedures and assesses any need for the acquisition and installation of energy conservation measures, including solar energy and renewable resource measures.

(iii) "Energy capital improvement" means the installation, or modification of the installation, of energy conservation measures in a building which

measures are primarily intended to reduce energy consumption or allow the use of an alternative energy source.

(d) Those energy capital improvements which are identified as being cost-effective in the audits authorized by this section.

(e) Purchase or installation of additional major items of equipment and furniture: PROVIDED, That vehicles shall not be purchased with capital projects fund money.

(f)(i) Costs associated with implementing technology systems, facilities, and projects, including acquiring hardware, licensing software, and online applications and training related to the installation of the foregoing. However, the software or applications must be an integral part of the district's technology systems, facilities, or projects.

(ii) Costs associated with the application and modernization of technology systems for operations and instruction including, but not limited to, the ongoing fees for online applications, subscriptions, or software licenses, including upgrades and incidental services, and ongoing training related to the installation and integration of these products and services. However, to the extent the funds are used for the purpose under this subsection (2)(f)(ii), the school district shall transfer to the district's general fund the portion of the capital projects fund used for this purpose. The office of the superintendent of public instruction shall develop accounting guidelines for these transfers in accordance with internal revenue service regulations.

(g) Major equipment repair, painting of facilities, and other major preventative maintenance purposes. However, to the extent the funds are used for the purpose under this subsection (2)(g), the school district shall transfer to the district's general fund the portion of the capital projects fund used for this purpose. The office of the superintendent of public instruction shall develop accounting guidelines for these transfers in accordance with internal revenue service regulations. Based on the district's most recent two-year history of general fund maintenance expenditures, funds used for this purpose may not replace routine annual preventive maintenance expenditures made from the district's general fund.

(h) During the 2019-2021 fiscal biennium, renovation and replacement of facilities and systems, purchase or installation of items of equipment and furniture, including maintenance vehicles and machinery, and other preventative maintenance or infrastructure improvement purposes.

(3) A debt service fund to provide for tax proceeds, other revenues, and disbursements as authorized in chapter 39.44 RCW. State forestland revenues that are deposited in a school district's debt service fund pursuant to RCW 79.64.110 and to the extent not necessary for payment of debt service on school district bonds may be transferred by the school district into the district's capital projects fund.

(4) An associated student body fund as authorized by RCW 28A.325.030.

(5) Advance refunding bond funds and refunded bond funds to provide for the proceeds and disbursements as authorized in chapter 39.53 RCW.

Sec. 4. RCW 41.05.011 and 2018 c 260 s 4 are each amended to read as follows:

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

(1) "Authority" means the Washington state health care authority.

(2) "Board" means the public employees' benefits board established under RCW 41.05.055 and the school employees' benefits board established under RCW 41.05.740.

(3) "Dependent care assistance program" means a benefit plan whereby employees and school employees may pay for certain employment related dependent care with pretax dollars as provided in the salary reduction plan under this chapter pursuant to 26 U.S.C. Sec. 129 or other sections of the internal revenue code.

(4) "Director" means the director of the authority.

(5) "Emergency service personnel killed in the line of duty" means law enforcement officers and firefighters as defined in RCW 41.26.030, members of the Washington state patrol retirement fund as defined in RCW 43.43.120, and reserve officers and firefighters as defined in RCW 41.24.010 who die as a result of injuries sustained in the course of employment as determined consistent with Title 51 RCW by the department of labor and industries.

(6)(a) "Employee" for the public employees' benefits board program includes all employees of the state, whether or not covered by civil service; elected and appointed officials of the executive branch of government, including full-time members of boards, commissions, or committees; justices of the supreme court and judges of the court of appeals and the superior courts; and members of the state legislature. Pursuant to contractual agreement with the authority, "employee" may also include: (i) Employees of a county, municipality, or other political subdivision of the state and members of the legislative authority of any county, city, or town who are elected to office after February 20, 1970, if the legislative authority of the county, municipality, or other political subdivision of the state submits application materials to the authority to provide any of its insurance programs by contract with the authority, as provided in RCW 41.04.205 and 41.05.021(1)(g); (ii) employees of employee organizations representing state civil service employees, at the option of each such employee organization; (iii) through December 31, 2019, employees of a school district if the authority agrees to provide any of the school districts' insurance programs by contract with the authority as provided in RCW 28A.400.350; (iv) employees of a tribal government, if the governing body of the tribal government seeks and receives the approval of the authority to provide any of its insurance programs by contract with the authority, as provided in RCW 41.05.021(1) (f) and (g); (v) employees of the Washington health benefit exchange if the governing board of the exchange established in RCW 43.71.020 seeks and receives approval of the authority to provide any of its insurance programs by contract with the authority, as provided in RCW 41.05.021(1) (g) and (n); and (vi) through December 31, 2019, employees of a charter school established under chapter 28A.710 RCW. "Employee" does not include: Adult family home providers; unpaid volunteers; patients of state hospitals; inmates; employees of the Washington state convention and trade center as provided in RCW 41.05.110; students of institutions of higher education as determined by their institution; and any others not expressly defined as employees under this chapter or by the authority under this chapter.

(b) Effective January 1, 2020, "school employee" for the school employees' benefits board program includes:

(i) All employees of school districts(~~(educational service districts,)~~) and charter schools established under chapter 28A.710 RCW;

(ii) Represented employees of educational service districts; and

(iii) Effective January 1, 2024, all employees of educational service districts.

(7) "Employee group" means employees of a similar employment type, such as administrative, represented classified, nonrepresented classified excluding such employees in educational service districts until December 31, 2023, confidential, represented certificated, or nonrepresented certificated excluding such employees in educational service districts until December 31, 2023, within a school employees' benefits board organization.

(8)(a) "Employer" for the public employees' benefits board program means the state of Washington.

(b) "Employer" for the school employees' benefits board program means school districts and educational service districts and charter schools established under chapter 28A.710 RCW.

(9) "Employer group" means those counties, municipalities, political subdivisions, the Washington health benefit exchange, tribal governments, employee organizations representing state civil service employees, and through December 31, 2019, school districts, ~~((educational service districts, and))~~ charter schools, and through December 31, 2023, educational service districts obtaining employee benefits through a contractual agreement with the authority to participate in benefit plans developed by the public employees' benefits board.

(10)(a) "Employing agency" for the public employees' benefits board program means a division, department, or separate agency of state government, including an institution of higher education; a county, municipality, or other political subdivision; and a tribal government covered by this chapter.

(b) "Employing agency" for the school employees' benefits board program means school districts, educational service districts, and charter schools.

(11) "Faculty" means an academic employee of an institution of higher education whose workload is not defined by work hours but whose appointment, workload, and duties directly serve the institution's academic mission, as determined under the authority of its enabling statutes, its governing body, and any applicable collective bargaining agreement.

(12) "Flexible benefit plan" means a benefit plan that allows employees and school employees to choose the level of health care coverage provided and the amount of employee or school employee contributions from among a range of choices offered by the authority.

(13) "Insuring entity" means an insurer as defined in chapter 48.01 RCW, a health care service contractor as defined in chapter 48.44 RCW, or a health maintenance organization as defined in chapter 48.46 RCW.

(14) "Medical flexible spending arrangement" means a benefit plan whereby state and school employees may reduce their salary before taxes to pay for medical expenses not reimbursed by insurance as provided in the salary reduction plan under this chapter pursuant to 26 U.S.C. Sec. 125 or other sections of the internal revenue code.

(15) "Participant" means an individual who fulfills the eligibility and enrollment requirements under the salary reduction plan.

(16) "Plan year" means the time period established by the authority.

(17) "Premium payment plan" means a benefit plan whereby public employees may pay their share of group health plan premiums with pretax dollars as provided in the salary reduction plan under this chapter pursuant to 26 U.S.C. Sec. 125 or other sections of the internal revenue code.

(18) "Public employee" has the same meaning as employee and school employee.

(19) "Retired or disabled school employee" means:

(a) Persons who separated from employment with a school district or educational service district and are receiving a retirement allowance under chapter 41.32 or 41.40 RCW as of September 30, 1993;

(b) Persons who separate from employment with a school district, educational service district, or charter school on or after October 1, 1993, and immediately upon separation receive a retirement allowance under chapter 41.32, 41.35, or 41.40 RCW;

(c) Persons who separate from employment with a school district, educational service district, or charter school due to a total and permanent disability, and are eligible to receive a deferred retirement allowance under chapter 41.32, 41.35, or 41.40 RCW.

(20) "Salary" means a state or school employee's monthly salary or wages.

(21) "Salary reduction plan" means a benefit plan whereby public employees may agree to a reduction of salary on a pretax basis to participate in the dependent care assistance program, medical flexible spending arrangement, or premium payment plan offered pursuant to 26 U.S.C. Sec. 125 or other sections of the internal revenue code.

(22) "School employees' benefits board organization" means a public school district or educational service district or charter school established under chapter 28A.710 RCW that is required to participate in benefit plans provided by the school employees' benefits board.

(23) "School year" means school year as defined in RCW 28A.150.203(11).

(24) "Seasonal employee" means a state employee hired to work during a recurring, annual season with a duration of three months or more, and anticipated to return each season to perform similar work.

(25) "Separated employees" means persons who separate from employment with an employer as defined in:

(a) RCW 41.32.010(17) on or after July 1, 1996; or

(b) RCW 41.35.010 on or after September 1, 2000; or

(c) RCW 41.40.010 on or after March 1, 2002;

and who are at least age fifty-five and have at least ten years of service under the teachers' retirement system plan 3 as defined in RCW 41.32.010(33), the Washington school employees' retirement system plan 3 as defined in RCW 41.35.010, or the public employees' retirement system plan 3 as defined in RCW 41.40.010.

(26) "State purchased health care" or "health care" means medical and health care, pharmaceuticals, and medical equipment purchased with state and federal funds by the department of social and health services, the department of health, the basic health plan, the state health care authority, the department of labor and industries, the department of corrections, the department of veterans affairs, and local school districts.

(27) "Tribal government" means an Indian tribal government as defined in section 3(32) of the employee retirement income security act of 1974, as amended, or an agency or instrumentality of the tribal government, that has government offices principally located in this state.

Sec. 5. RCW 41.05.050 and 2018 c 260 s 10 are each amended to read as follows:

(1) Every: (a) Department, division, or separate agency of state government; (b) county, municipal, school district, educational service district, or other political subdivisions; and (c) tribal governments as are covered by this chapter, shall provide contributions to insurance and health care plans for its employees and their dependents, the content of such plans to be determined by the authority. Contributions, paid by the county, the municipality, other political subdivision, or a tribal government for their employees, shall include an amount determined by the authority to pay such administrative expenses of the authority as are necessary to administer the plans for employees of those groups, except as provided in subsection (4) of this section.

(2) To account for increased cost of benefits for the state and for state employees, the authority may develop a rate surcharge applicable to participating counties, municipalities, other political subdivisions, and tribal governments.

(3) The contributions of any: (a) Department, division, or separate agency of the state government; (b) county, municipal, or other political subdivisions; (c) any tribal government as are covered by this chapter; and (d) school districts, educational service districts, and charter schools, shall be set by the authority, subject to the approval of the governor for availability of funds as specifically appropriated by the legislature for that purpose. Insurance and health care contributions for ferry employees shall be governed by RCW 47.64.270.

(4)(a) Until January 1, 2020, the authority shall collect from each participating school district and educational service district an amount equal to the composite rate charged to state agencies, plus an amount equal to the employee premiums by plan and family size as would be charged to employees, for groups of school district and educational service district employees enrolled in authority plans. The authority may collect these amounts in accordance with the school district or educational service district fiscal year, as described in RCW 28A.505.030.

(b)(i) For all groups of school district or educational service district employees enrolling in authority plans for the first time after September 1, 2003, and until January 1, 2020, the authority shall collect from each participating school district or educational service district an amount equal to the composite rate charged to state agencies, plus an amount equal to the employee premiums by plan and by family size as would be charged to employees, only if the authority determines that this method of billing the school districts and educational service districts will not result in a material difference between revenues from school districts and educational service districts and expenditures made by the authority on behalf of school districts and educational service districts and their employees. The authority may collect these amounts in accordance with the school district or educational service district fiscal year, as described in RCW 28A.505.030.

(ii) For all groups of educational service district employees' enrolling in plans developed by the public employees' benefits board after January 1, 2020, and until January 1, 2024, the authority shall collect from each participating educational service district an amount equal to the composite rate charged to state agencies, plus an amount equal to the employee premiums by plan and by family size as would be charged to employees, only if the authority determines that this method of billing the educational service districts will not result in a material difference between revenues from educational service districts and expenditures made by the authority on behalf of educational service districts and their employees. The authority may collect these amounts in accordance with the educational service district fiscal year, as described in RCW 28A.505.030.

(c) Until January 1, 2020, if the authority determines at any time that the conditions in (b) of this subsection cannot be met, the authority shall offer enrollment to additional groups of school and educational service district employees on a tiered rate structure until such time as the authority determines there would be no material difference between revenues and expenditures under a composite rate structure for all school and educational service district employees enrolled in authority plans.

(d)(i) Beginning January 1, 2020, all school districts, represented employees of educational service districts, and charter schools shall commence participation in the school employees' benefits board program established under RCW 41.05.740. All school districts, represented employees of educational service districts, charter schools, and all school district employee groups participating in the public employees' benefits board plans before January 1, 2020, shall thereafter participate in the school employees' benefits board program administered by the authority. All school districts, represented employees of educational service districts, and charter schools shall provide contributions to the authority for insurance and health care plans for school employees and their dependents. These contributions must be provided to the authority for all eligible school employees eligible for benefits under RCW 41.05.740(6)(d), including school employees who have waived their coverage; contributions to the authority are not required for individuals eligible for benefits under RCW 41.05.740(6)(e) who waive their coverage.

(ii) Beginning January 1, 2024, all educational service districts shall participate in the school employees' benefits board program.

(e) For the purposes of this subsection, "tiered rates" means the amounts the authority must pay to insuring entities by plan and by family size.

(f) Notwithstanding this subsection and RCW 41.05.065(4), the authority may allow school districts and educational service districts enrolled on a tiered rate structure prior to September 1, 2002, and until January 1, 2020, to continue participation based on the same rate structure and under the same conditions and eligibility criteria.

(5) The authority shall transmit a recommendation for the amount of the employer contributions to the governor and the director of financial management for inclusion in the proposed budgets submitted to the legislature.

Sec. 6. RCW 28A.400.350 and 2018 c 260 s 23 are each amended to read as follows:

(1) The board of directors of any of the state's school districts or educational service districts may make available medical, dental, vision, liability, life,

accident, disability, and salary protection or insurance, direct agreements as defined in chapter 48.150 RCW, or any one of, or a combination of the types of employee benefits enumerated in this subsection, or any other type of insurance or protection, for the members of the boards of directors, the students, and employees of the school district or educational service district, and their dependents. Except as provided in subsection (6) of this section, such coverage may be provided by contracts or agreements with private carriers, with the state health care authority, or through self-insurance or self-funding pursuant to chapter 48.62 RCW, or in any other manner authorized by law. Any direct agreement must comply with RCW 48.150.050.

(2)(a) Whenever funds are available for these purposes the board of directors of the school district or educational service district may contribute all or a part of the cost of such protection or insurance for the employees of their respective school districts or educational service districts and their dependents. The premiums on such liability insurance shall be borne by the school district or educational service district.

(b) After October 1, 1990, school districts may not contribute to any employee protection or insurance other than liability insurance unless the district's employee benefit plan conforms to RCW 28A.400.275 and 28A.400.280.

(c) After December 31, 2019, school district contributions to any employee insurance that is purchased through the health care authority must conform to the requirements established by chapter 41.05 RCW and the school employees' benefits board.

(3) For school board members, educational service district board members, and students, the premiums due on such protection or insurance shall be borne by the assenting school board member, educational service district board member, or student. The school district or educational service district may contribute all or part of the costs, including the premiums, of life, health, health care, accident or disability insurance which shall be offered to all students participating in interschool activities on the behalf of or as representative of their school, school district, or educational service district. The school district board of directors and the educational service district board may require any student participating in extracurricular interschool activities to, as a condition of participation, document evidence of insurance or purchase insurance that will provide adequate coverage, as determined by the school district board of directors or the educational service district board, for medical expenses incurred as a result of injury sustained while participating in the extracurricular activity. In establishing such a requirement, the district shall adopt regulations for waiving or reducing the premiums of such coverage as may be offered through the school district or educational service district to students participating in extracurricular activities, for those students whose families, by reason of their low income, would have difficulty paying the entire amount of such insurance premiums. The district board shall adopt regulations for waiving or reducing the insurance coverage requirements for low-income students in order to assure such students are not prohibited from participating in extracurricular interschool activities.

(4) All contracts or agreements for insurance or protection written to take advantage of the provisions of this section shall provide that the beneficiaries of

such contracts may utilize on an equal participation basis the services of those practitioners licensed pursuant to chapters 18.22, 18.25, 18.53, 18.57, and 18.71 RCW.

(5)(a) Until the creation of the school employees' benefits board under RCW 41.05.740, school districts offering medical, vision, and dental benefits shall:

(i) Offer a high deductible health plan option with a health savings account that conforms to section 223, part VII of subchapter 1 of the internal revenue code of 1986. School districts shall comply with all applicable federal standards related to the establishment of health savings accounts;

(ii) Make progress toward employee premiums that are established to ensure that full family coverage premiums are not more than three times the premiums for employees purchasing single coverage for the same coverage plan, unless a subsequent premium differential target is defined as a result of the review and subsequent actions described in RCW 41.05.655;

(iii) Offer employees at least one health benefit plan that is not a high deductible health plan offered in conjunction with a health savings account in which the employee share of the premium cost for a full-time employee, regardless of whether the employee chooses employee-only coverage or coverage that includes dependents, does not exceed the share of premium cost paid by state employees during the state employee benefits year that started immediately prior to the school year.

(b) All contracts or agreements for employee benefits must be held to responsible contracting standards, meaning a fair, prudent, and accountable competitive procedure for procuring services that includes an open competitive process, except where an open process would compromise cost-effective purchasing, with documentation justifying the approach.

(c) School districts offering medical, vision, and dental benefits shall also make progress on promoting health care innovations and cost savings and significantly reduce administrative costs.

(d) All contracts or agreements for insurance or protection described in this section shall be in compliance with chapter 3, Laws of 2012 2nd sp. sess.

(6) The authority to make available basic and optional benefits to school employees under this section expires December 31, 2019, except for nonrepresented employees of educational service districts for which the authority expires December 31, 2023. Beginning January 1, 2020, school districts, for all school employees, and educational service districts, for represented employees, shall make available basic and optional benefits through plans offered by the health care authority and the school employees' benefits board. Beginning January 1, 2024, educational service districts, for nonrepresented employees, shall make available basic and optional benefits through plans offered by the health care authority and the school employees' benefits board.

NEW SECTION. Sec. 7. (1) The Washington state health care authority, in consultation with the office of the superintendent of public instruction, educational service districts, and the office of financial management, shall study employee health benefits in educational service districts and the impact of participation in the school employees' benefits board program on educational service districts and their employees. The study must include an analysis of:

(a) Health benefit plans provided to educational service district employees and their costs;

(b) Estimated costs to educational service districts to participate in the school employees' benefits board program;

(c) Comparisons of costs, benefits offered, and employees covered, between educational service district health benefits and school employees' benefits board health benefits if adopted; and

(d) Revenue from school districts, state, federal, and other sources that support educational service district services and their ability to support rates negotiated for the school employees' benefits board program.

(2) By December 31, 2020, and in compliance with RCW 43.01.036, the Washington state health care authority must report findings from the study to the fiscal committees of the legislature.

NEW SECTION. Sec. 8. EFFECTIVE DATE FOR PROPERTY TAX DEPOSIT AND HOLD HARMLESS. Sections 1 and 2 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect immediately.

Sec. 9. RCW 28C.--.-- and 2019 c ... (E2SHB 2158) s 56 are each amended to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the career connected learning grant program is established as a competitive grant program to advance the career connect Washington vision under RCW 28C.--.-- (section 55, chapter . . . (E2SHB 2158), Laws of 2019). The employment security department shall administer the program. The governor's office shall work with the employment security department to establish grant criteria and guide the process for selection with consultation from the career connected learning cross-agency work group.

(2) The purpose of the career connected learning grant program is to create career connected learning opportunities, including career awareness and exploration, career preparation, and career launch programs, that are both tailored to the local needs of students and employers and designed so that students may receive high school or college credit across industries and regions of the state to the maximum extent possible.

(3) The program funds shall be used for two overarching purposes:

(a) Support regional career connected learning and work-integrated learning networks in both rural and urban areas under subsection (5) of this section; and

(b) Support career connected learning program intermediaries working within and across regions who partner with multiple employers, labor partners, and educational institutions, work with K-12 and postsecondary career representatives to develop curricula for new and innovative programs, and scale existing career awareness and exploration, career preparation, and endorsed career launch programs.

(4) The program administrator shall consult with the governor's office and the career connected learning cross-agency work group established in RCW 28C.--.-- (section 54, chapter . . . (E2SHB 2158), Laws of 2019) to develop a formal request for proposal for both the regional career connected learning and work-integrated learning networks and the program intermediaries.

(5)(a) Proposals for regional career connected learning and work-integrated learning networks and intermediaries may be sought from applicants within the geographic areas of the nine educational service districts. Successful applicants shall convene and manage regional, cross-industry networks that will lead to the expansion of career connected learning opportunities.

(b) Regional career connected learning and work-integrated learning network applicants must demonstrate regional knowledge and status as a trusted partner of industry and education stakeholders, a track record of success with career connected learning and aligned initiatives, and a commitment to equity. Regional career connected learning networks may include, but are not limited to, regional education networks, school districts, educational service districts, higher education institutions, workforce development councils, chambers of commerce, industry associations, joint labor management councils, multiemployer training partnerships, economic development councils, and nonprofit organizations.

(6) Eligible program intermediary applicants may include, but are not limited to, new or existing industry associations, joint labor management councils, regional networks, career technical student organizations, postsecondary education and training institutions working with multiple employer partners, state agencies, and other community-based organizations and expanded learning partners.

(7) Program intermediaries must work with appropriate faculty and staff at the state universities, the regional universities, and the state college, and K-12 education representatives, to expand the number of career launch program credits that may be articulated and transferred to postsecondary degree programs.

(8) Subject to the availability of amounts appropriated for this specific purpose, the employment security department, as the administrator of the program, has the authority to utilize funds deposited in the career connected learning account for the purposes of the program.

(9) During the 2019-2021 fiscal biennium, the employment security department must provide sufficient funding from amounts appropriated for the program to the office of the superintendent of public instruction to provide a grant to each of the nine educational service districts for costs of employing one full-time equivalent employee to support the expansion of career connected learning opportunities.

NEW SECTION. Sec. 10. Section 9 of this act takes effect only if chapter . . . (Engrossed Second Substitute House Bill No. 2158), Laws of 2019 is enacted by the effective date of this section.

Passed by the House April 28, 2019.

Passed by the Senate April 28, 2019.

Approved by the Governor May 21, 2019.

Filed in Office of Secretary of State May 21, 2019.

CHAPTER 412

[Substitute Senate Bill 5324]

STUDENTS EXPERIENCING HOMELESSNESS--SCHOOL DISTRICTS

AN ACT Relating to support for students experiencing homelessness; amending RCW 28A.300.542, 43.185C.340, and 28A.320.142; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 28A.300.542 and 2016 c 157 s 2 are each amended to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the office of the superintendent of public instruction shall create a competitive grant process to evaluate and award state-funded grants to school districts to increase identification of ~~((homeless))~~ students experiencing homelessness and the capacity of the districts to provide support~~((= which may include education liaisons, for homeless students))~~ for students experiencing homelessness. Funds may be used in a manner that is complementary to federal McKinney-Vento funds and consistent with allowable uses as determined by the office of the superintendent of public instruction. The process must complement any similar federal grant program or programs in order to minimize agency overhead and administrative costs for the superintendent of public instruction and school districts. School districts may access both federal and state funding to identify and support ~~((homeless))~~ students experiencing homelessness.

(2) Award criteria for the state grants must be based on the demonstrated need of the school district and may consider the number or overall percentage, or both, of homeless children and youths enrolled in preschool, elementary, and secondary schools in the school district, and the ability of the local school district to meet these needs. Award criteria for these must also be based on the quality of the applications submitted. ~~((Preference))~~ Selected grantees must reflect geographic diversity across the state. Greater weight must be given to districts that demonstrate a commitment to:

(a) Partnering with local housing and community-based organizations with experience in serving the needs of students experiencing homelessness or students of color;

(b) Serving the needs of unaccompanied youth; and

(c) Implementing evidence-informed strategies to address the opportunity gap and other systemic inequities that negatively impact students experiencing homelessness and students of color. Specific strategies may include, but are not limited to:

(i) Enhancing the cultural responsiveness of current and future staff;

(ii) Ensuring all staff, faculty, and school employees are actively trained in trauma-informed care;

(iii) Providing inclusive programming by intentionally seeking and utilizing input from the population being served;

(iv) Using a multidisciplinary approach when serving students experiencing homelessness and their families;

(v) Intentionally seeking and utilizing input from the families and students experiencing homelessness about how district policies, services, and practices can be improved; and

(vi) Identifying data elements and systems needed to monitor progress in eliminating disparities in academic outcomes for students experiencing homelessness with their housed peers.

(3) At the end of each academic year, districts receiving grants (~~must measure during the academic year how often each student physically moves, what services families or unaccompanied youth could access, and whether or not a family or unaccompanied youth received stable housing by the end of the school year~~) shall monitor and report on the academic outcomes for students served by the grants. The academic outcomes are those recommended by the office of the superintendent of public instruction. The office of the superintendent of public instruction shall review the reports submitted by the districts and assist school districts in using these data to identify gaps and needs, and develop sustainable strategies to improve academic outcomes for students experiencing homelessness.

(4) (~~Homeless~~) Students experiencing homelessness are defined as students without a fixed, regular, and adequate nighttime residence (~~as set forth~~) in accordance with the definition of homeless children and youths in the federal McKinney-Vento homeless (~~education~~) assistance act (~~(P.L. 100-77; 101 Stat. 482)~~), 42 U.S.C. Sec. 11431 through 11435.

(5) School districts may not use funds allocated under this section to supplant existing federal, state, or local resources for (~~homeless student~~) supports for students experiencing homelessness, which may include education liaisons.

(6) Grants awarded to districts under this section may be for two years.

Sec. 2. RCW 43.185C.340 and 2016 c 157 s 3 are each amended to read as follows:

(1) Subject to funds appropriated for this specific purpose, the department (~~in consultation with the office of the superintendent of public instruction,~~) shall administer a grant program that links (~~homeless~~) students experiencing homelessness and their families with stable housing located in the (~~homeless~~) student's school district. The goals of the program (~~is~~) are to:

(a) Provide educational stability for (~~homeless~~) students experiencing homelessness by promoting housing stability; and

(b) Encourage the development of collaborative strategies between housing and education partners.

(2) To ensure that innovative strategies between housing and education partners are developed and implemented, the department may contract and consult with a designated vendor to provide technical assistance and program evaluation, and assist with making grant awards. If the department contracts with a vendor, the vendor must be selected by the director and:

(a) Be a nonprofit vendor;

(b) Be located in Washington state; and

(c) Have a demonstrated record of working toward the housing and educational stability of students and families experiencing homelessness.

(3) In implementing the program, the department, or the department in partnership with its designated vendor, shall consult with the office of the superintendent of public instruction.

(4) The department, (~~working with the office of the superintendent of public instruction~~) or the designated vendor in consultation with the

department, shall develop a competitive grant process to make grant awards ((of no more than one hundred thousand dollars per school, not to exceed five hundred thousand dollars per school district,)) to ((school districts partnered with)) eligible organizations on implementation of the proposal. For the purposes of this subsection, "eligible organization" means any local government, local housing authority, regional support network established under chapter 71.24 RCW, behavioral health organization, nonprofit community or neighborhood-based organization, federally recognized Indian tribe in the state of Washington, or regional or statewide nonprofit housing assistance organization. Applications for the grant program must include ((contractual agreements)) a memorandum of understanding between the housing providers and school districts defining the responsibilities and commitments of each party to identify, house, and support ((homeless)) students experiencing homelessness. The memorandum must include:

(a) How housing providers will partner with school districts to address gaps and needs and develop sustainable strategies to help students experiencing homelessness; and

(b) How data on students experiencing homelessness and their families will be collected and shared in accordance with privacy protections under applicable federal and state laws.

~~((3))~~ (5) In determining which ((partnerships)) eligible organizations will receive grants, ((preference must)) the department must ensure that selected grantees reflect geographic diversity across the state. Greater weight shall be given to ((districts with a demonstrated commitment of partnership and history with)) eligible organizations that demonstrate a commitment to:

(a) Partnering with local schools or school districts; and

(b) Developing and implementing evidence-informed strategies to address racial inequities. Specific strategies may include, but are not limited to:

(i) Hiring direct service staff who reflect the racial, cultural, and language demographics of the population being served;

(ii) Committing to inclusive programming by intentionally seeking and utilizing input from the population being served;

(iii) Ensuring eligibility criteria does not unintentionally screen out people of color and further racial inequity; and

(iv) Creating access points in locations frequented by parents, guardians, and unaccompanied homeless youth of color.

~~((4))~~ (6) Activities eligible for assistance under this grant program include but are not limited to:

(a) Rental assistance, which includes utilities, security and utility deposits, first and last month's rent, rental application fees, moving expenses, and other eligible expenses to be determined by the department;

(b) Transportation assistance, including gasoline assistance for families with vehicles and bus passes;

(c) Emergency shelter; ((and))

(d) Housing stability case management; and

(e) Other collaborative housing strategies, including prevention and strength-based safety and housing approaches.

~~((5)) (7)(a)~~ All beneficiaries of funds from the grant program must be ~~((unaccompanied youth or))~~ from ~~((very low income))~~ households~~((For the purposes of this subsection, "very low income household" means an unaccompanied youth or family or unrelated persons living together whose adjusted income is less than fifty percent of the median family income, adjusted for household size, for the county where the grant recipient is located))~~ that include at least one student experiencing homelessness as defined as a child or youth without a fixed, regular, and adequate nighttime residence in accordance with the federal McKinney-Vento homeless assistance act, 42 U.S.C. Sec. 11431 through 11435.

(b) For the purposes of this section, "student experiencing homelessness" includes unaccompanied homeless youth not in the physical custody of a parent or guardian. "Unaccompanied homeless youth" includes students up to the age of twenty-one, in alignment with the qualifications for school admissions under RCW 28A.225.160(1).

~~((6)) (8)(a)~~ Grantee ~~((school districts))~~ organizations must compile and report information to the department. The department shall report to the legislature the findings of the grantee, the housing stability of the homeless families, ~~((the academic performance of the grantee population,))~~ and any related policy recommendations.

(b) Grantees must track and report on the following measures including, but not limited to:

(i) Length of time enrolled in the grant program;

(ii) Housing destination at program exit;

(iii) Type of residence prior to enrollment in the grant program; and

(iv) Number of times homeless in the past three years.

(c) Grantees must also include in their reports a narrative description discussing its partnership with school districts as set forth in the memorandum outlined in subsection (4) of this section. Reports must also include the kinds of supports grantees are providing students and families to support academic learning.

(d) Data on all program participants must be entered into and tracked through the Washington homeless client management information system as described in RCW 43.185C.180.

~~((7)) (9)~~ In order to ensure that ~~((school districts))~~ housing providers are meeting the requirements of ~~((an approved))~~ the grant program for ~~((homeless))~~ students experiencing homelessness, the ~~((office of the superintendent of public instruction))~~ department, or the department in partnership with its designee, shall monitor the program~~((s))~~ at least once every two years. ~~((Monitoring shall begin during the 2016-17 school year.~~

~~((8)) (10)~~ Any program review and monitoring under this section may be conducted concurrently with other program reviews and monitoring conducted by the department. In its review, the ~~((office of the superintendent of public instruction))~~ department, or the department in partnership with its designee, shall monitor program components that include ~~((but need not be limited to))~~ the process used by the ~~((district))~~ eligible organization to identify and reach out to ~~((homeless))~~ students experiencing homelessness, ~~((assessment data))~~ and other indicators to determine how well the ~~((district))~~ eligible organization is meeting the ~~((academic))~~ housing needs of ~~((homeless))~~ students~~((, district expenditures~~

~~used to expand opportunities for these students, and the academic progress of students under~~) experiencing homelessness. The department, or the department in partnership with its designee, shall provide technical assistance and support to housing providers to better implement the program.

Sec. 3. RCW 28A.320.142 and 2016 c 157 s 5 are each amended to read as follows:

(1) ~~Each (school district that has identified more than ten unaccompanied youth)~~ K-12 public school in the state must establish a building point of contact in each elementary school, middle school, and high school. These points of contact must be appointed by the principal of the designated school and are responsible for identifying homeless and unaccompanied homeless youth and connecting them with the school district's (~~homeless student~~) liaison for students experiencing homelessness. The school district homeless student liaison is responsible for training building points of contact.

(2) The office of the superintendent of public instruction shall make available best practices for choosing and training building points of contact to each school district.

NEW SECTION. Sec. 4. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2019, in the omnibus appropriations act, this act is null and void.

Passed by the Senate April 23, 2019.

Passed by the House April 12, 2019.

Approved by the Governor May 21, 2019.

Filed in Office of Secretary of State May 21, 2019.

CHAPTER 413

[Substitute House Bill 1102]

CAPITAL BUDGET

AN ACT Relating to the capital budget; making appropriations and authorizing expenditures for capital improvements; amending RCW 28B.15.210, 28B.15.310, 28B.20.725, 28B.30.750, 28B.35.370, 28B.50.360, 28B.77.070, 43.63A.125, 43.83.020, 43.88D.010, and 90.94.090; amending 2018 c 2 ss 1010, 1019, 1013, 1014, 1028, 2019, 3024, 3093, 3109, 3105, 4002, and 5014, 2018 c 298 ss 1004, 1007, 1002, 1013, 1016, 2004, 2005, 2008, 2018, 5040, and 7010, and 2017 3rd sp.s. c 4 ss 1052, 3056, 3136, and 5058 (uncodified); reenacting and amending RCW 43.155.050 and 70.148.020; creating new sections; making appropriations; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. (1) A capital budget is hereby adopted and, subject to the provisions set forth in this act, the several dollar amounts hereinafter specified, or so much thereof as shall be sufficient to accomplish the purposes designated, are hereby appropriated and authorized to be incurred for capital projects during the period beginning with the effective date of this section and ending June 30, 2021, out of the several funds specified in this act.

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

(a) "Fiscal year 2020" or "FY 2020" means the period beginning July 1, 2019, and ending June 30, 2020.

(b) "Fiscal year 2021" or "FY 2021" means the period beginning July 1, 2020, and ending June 30, 2021.

(c) "Lapse" or "revert" means the amount shall return to an unappropriated status.

(d) "Provided solely" means the specified amount may be spent only for the specified purpose.

(3) Unless otherwise specifically authorized in this act, any portion of an amount provided solely for a specified purpose that is not expended subject to the specified conditions and limitations to fulfill the specified purpose shall lapse.

(4) The amounts shown under the headings "Prior Biennia," "Future Biennia," and "Total" in this act are for informational purposes only and do not constitute legislative approval of these amounts. "Prior biennia" typically refers to the immediate prior biennium for reappropriations, but may refer to multiple biennia in the case of specific projects. A "future biennia" amount is an estimate of what may be appropriated for the project or program in the 2021-2023 biennium and the following three biennia; an amount of zero does not necessarily constitute legislative intent to not provide funding for the project or program in the future.

(5) "Reappropriations" in this act are appropriations and, unless the context clearly provides otherwise, are subject to the relevant conditions and limitations applicable to appropriations. Reappropriations shall be limited to the unexpended balances remaining on June 30, 2019, from the 2017-2019 biennial appropriations for each project.

PART 1

GENERAL GOVERNMENT

NEW SECTION. Sec. 1001. FOR THE COURT OF APPEALS

Division III Roof Replacement and Maintenance (30000003)

Reappropriation:

State Building Construction Account—State	\$262,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$262,000

NEW SECTION. Sec. 1002. FOR THE OFFICE OF THE SECRETARY OF STATE

Library-Archives Building (30000033)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1003, chapter 2, Laws of 2018.

(2) The secretary of state must enter into a financial contract for up to \$103,143,000.

Reappropriation:

State Building Construction Account—State	\$5,000,000
Prior Biennia (Expenditures)	\$300,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,300,000

NEW SECTION. Sec. 1003. FOR THE OFFICE OF THE SECRETARY OF STATE

State Archives Minor Works Projects (30000042)

Appropriation:

State Building Construction Account—State	\$573,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$573,000

NEW SECTION. Sec. 1004. FOR THE DEPARTMENT OF COMMERCE

Housing Assistance, Weatherization, and Affordable Housing (20074009)

Reappropriation:

State Taxable Building Construction Account—State	\$62,000
Prior Biennia (Expenditures)	\$199,760,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$199,822,000

NEW SECTION. Sec. 1005. FOR THE DEPARTMENT OF COMMERCE

2010 Local and Community Projects (30000082)

The reappropriation in this section is subject to the following conditions and limitations: The projects must comply with RCW 43.63A.125 and other requirements for community projects administered by the department.

Reappropriation:

State Building Construction Account—State	\$1,975,000
Prior Biennia (Expenditures)	\$11,447,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$13,422,000

NEW SECTION. Sec. 1006. FOR THE DEPARTMENT OF COMMERCE

Community Economic Revitalization Board (30000097)

Reappropriation:

Public Facility Construction Loan Revolving Account—State	\$8,020,000
State Taxable Building Construction Account—State	\$4,000,000
Subtotal Reappropriation	\$12,020,000
Prior Biennia (Expenditures)	\$6,000,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$18,020,000

NEW SECTION. Sec. 1007. FOR THE DEPARTMENT OF COMMERCE

Public Works Assistance Account Program 2013 Loan List (30000184)

Reappropriation:

Public Works Assistance Account—State	\$11,000,000
Prior Biennia (Expenditures)	\$27,141,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$38,141,000

NEW SECTION. Sec. 1008. FOR THE DEPARTMENT OF COMMERCE

Clean Energy and Energy Freedom Program (30000726)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 6003, chapter 4, Laws of 2017 3rd sp. sess.

Reappropriation:

State Building Construction Account—State	\$14,937,000
State Taxable Building Construction Account—State.	\$3,532,000
Subtotal Reappropriation	\$18,469,000
Prior Biennia (Expenditures)	\$21,931,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$40,400,000

NEW SECTION. Sec. 1009. FOR THE DEPARTMENT OF COMMERCE

Building Communities Fund Program (30000803)

The reappropriation in this section is subject to the following conditions and limitations:

(1) \$1,455,000 of the amount reappropriated in this section is provided solely for the Byrd Barr place, formerly known as Centerstone, building renovation project.

(2) \$220,000 of the amount reappropriated in this section is provided solely for El Centro de la Raza boiler fan and master plan for rehabilitation. This amount is not subject to the match requirements, pursuant to RCW 43.63A.125.

Reappropriation:

State Building Construction Account—State	\$1,675,000
Prior Biennia (Expenditures)	\$19,184,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$20,859,000

NEW SECTION. Sec. 1010. FOR THE DEPARTMENT OF COMMERCE

Housing Trust Fund Appropriation (30000833)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 1005, chapter 35, Laws of 2016 sp. sess. and section 6008 of this act.

Reappropriation:

State Taxable Building Construction Account—State.	\$10,406,000
Washington Housing Trust Account—State	\$278,000
Subtotal Reappropriation	\$10,684,000
Prior Biennia (Expenditures)	\$70,816,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$81,500,000

NEW SECTION. Sec. 1011. FOR THE DEPARTMENT OF COMMERCE

2015-2017 Community Economic Revitalization Board Program (30000834)

Reappropriation:

Public Facility Construction Loan Revolving	
Account—State	\$10,588,000
Prior Biennia (Expenditures)	\$12,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$10,600,000

NEW SECTION. Sec. 1012. FOR THE DEPARTMENT OF COMMERCE

Energy Efficiency and Solar Grants (30000835)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1035, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

State Building Construction Account—State	\$2,000,000
Prior Biennia (Expenditures)	\$23,000,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$25,000,000

NEW SECTION. Sec. 1013. FOR THE DEPARTMENT OF COMMERCE

Ultra-Efficient Affordable Housing Demonstration (30000836)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1006, chapter 35, Laws of 2016 sp. sess.

Reappropriation:

Washington Housing Trust Account—State	\$845,000
Prior Biennia (Expenditures)	\$1,655,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,500,000

NEW SECTION. Sec. 1014. FOR THE DEPARTMENT OF COMMERCE

2017 Local and Community Projects (30000846)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 6004, chapter 4, Laws of 2017 3rd sp. sess.

Reappropriation:

State Building Construction Account—State	\$3,000,000
Prior Biennia (Expenditures)	\$8,363,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$11,363,000

NEW SECTION. Sec. 1015. FOR THE DEPARTMENT OF COMMERCE

2017-19 Housing Trust Fund Program (30000872)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 6005 of this act.

Reappropriation:

State Building Construction Account—State	\$17,165,000
State Taxable Building Construction Account—State.	\$73,139,000
Washington Housing Trust Account—State	\$7,513,000
Subtotal Reappropriation	\$97,817,000
Prior Biennia (Expenditures)	\$13,972,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$111,789,000

NEW SECTION. Sec. 1016. FOR THE DEPARTMENT OF COMMERCE

Economic Opportunity Grants (30000873)

Reappropriation:

Rural Washington Loan Account—State.	\$5,000,000
Prior Biennia (Expenditures)	\$1,750,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$6,750,000

NEW SECTION. Sec. 1017. FOR THE DEPARTMENT OF COMMERCE

2017-19 Youth Recreational Facilities Grant Program (30000875)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1008, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$5,000,000
Prior Biennia (Expenditures)	\$1,907,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$6,907,000

NEW SECTION. Sec. 1018. FOR THE DEPARTMENT OF COMMERCE

2017-19 Building for the Arts Grant Program (30000877)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1009, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$6,000,000
Prior Biennia (Expenditures)	\$6,000,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$12,000,000

NEW SECTION. Sec. 1019. FOR THE DEPARTMENT OF COMMERCE

Public Works Assistance Account Construction Loans (30000878)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 6001 of this act and shall be expended for the projects listed. However, if upon review of applications the public works board determines that a project is ineligible for a loan, or if the entity responsible for construction of a listed project declines a loan, the department may transfer any excess funding to other public works projects as recommended and approved through the public works board, provided those projects meet eligibility criteria.

Reappropriation:

State Taxable Building Construction Account—State	\$65,117,000
Prior Biennia (Expenditures)	\$12,103,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$77,220,000

NEW SECTION. Sec. 1020. FOR THE DEPARTMENT OF COMMERCE

Weatherization Plus Health Matchmaker Program (30000879)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 1014, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$11,818,000
State Taxable Building Construction Account—State	\$4,934,000
Subtotal Reappropriation	\$16,752,000
Prior Biennia (Expenditures)	\$6,748,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$23,500,000

NEW SECTION. Sec. 1021. FOR THE DEPARTMENT OF COMMERCE

Clean Energy Funds 3 (30000881)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 6006 of this act.

Reappropriation:

Energy Efficiency Account—State	\$5,472,000
State Building Construction Account—State	\$32,065,000
State Taxable Building Construction Account—State	\$7,934,000
Subtotal Reappropriation	\$45,471,000
Prior Biennia (Expenditures)	\$629,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$46,100,000

NEW SECTION. Sec. 1022. FOR THE DEPARTMENT OF COMMERCE

Energy Efficiency and Solar Grants (30000882)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 6007 of this act.

Reappropriation:

Energy Efficiency Account—State	\$5,478,000
State Building Construction Account—State	\$5,162,000
Subtotal Reappropriation	\$10,640,000
Prior Biennia (Expenditures)	\$360,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$11,000,000

NEW SECTION. Sec. 1023. FOR THE DEPARTMENT OF COMMERCE

2017-19 Building Communities Fund Grant (30000883)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1015, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$18,500,000
Prior Biennia (Expenditures)	\$12,400,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$30,900,000

NEW SECTION. Sec. 1024. FOR THE DEPARTMENT OF COMMERCE

2018 Local and Community Projects (40000005)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The reappropriation is subject to the provisions of section 6003 of this act.

(2) The Interbay public development advisory committee shall provide a report to the legislature and office of the governor with recommendations by November 15, 2019. The Interbay advisory committee's recommendations must include recommendations regarding the structure, composition, and scope of authority of any subsequent state public development authority that may be established to implement the recommendations of the Interbay advisory committee.

(3) The Interbay public development advisory committee terminates June 30, 2020.

Reappropriation:

State Building Construction Account—State	\$91,142,000
Prior Biennia (Expenditures)	\$39,799,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$130,941,000

NEW SECTION. Sec. 1025. FOR THE DEPARTMENT OF COMMERCE

Early Learning Facility Grants (40000006)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 1005, chapter 298, Laws of 2018.

Reappropriation:

Early Learning Facilities Development Account—State	\$2,500,000
Early Learning Facilities Revolving Account—State	\$6,000,000
Subtotal Reappropriation	\$8,500,000
Prior Biennia (Expenditures)	\$7,000,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$15,500,000

NEW SECTION. Sec. 1026. FOR THE DEPARTMENT OF COMMERCE

Dental Clinic Capacity Grants (40000007)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1006, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$10,000,000
Prior Biennia (Expenditures)	\$6,534,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$16,534,000

NEW SECTION. Sec. 1027. FOR THE DEPARTMENT OF COMMERCE

PWAA Preconstruction and Emergency Loan Programs (40000009)

The reappropriation in this section is subject to the following conditions and limitations:

- (1) \$5,000,000 is for the public works board's emergency loan program.
- (2) \$14,000,000 is for the public works board's preconstruction loan program.

Reappropriation:

State Taxable Building Construction Account—State	\$18,000,000
Prior Biennia (Expenditures)	\$1,000,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$19,000,000

NEW SECTION. Sec. 1028. FOR THE DEPARTMENT OF COMMERCE

Behavioral Health Community Capacity (40000018)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 6004 of this act.

Reappropriation:

State Building Construction Account—State	\$84,500,000
Prior Biennia (Expenditures)	\$5,876,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$90,376,000

***NEW SECTION. Sec. 1029. FOR THE DEPARTMENT OF COMMERCE**

2019-21 Housing Trust Fund Program (40000036)

The appropriations in this section are subject to the following conditions and limitations:

(1) \$129,050,000 of the state taxable building construction account—state appropriation and \$45,950,000 of the state building construction account—state appropriation are provided solely for production and preservation of affordable housing. Of the amounts in this subsection:

(a) \$35,000,000 of the appropriation is provided solely for housing projects that provide supportive housing and case-management services to persons with behavioral or chronic mental illness. When evaluating applications for this population, the department must prioritize low-income supportive housing unit proposals that show:

(i) Evidence that the application was developed in collaboration with one or more health care entities that provide behavioral health care services to individuals eligible for the housing provided under this subsection;

(ii) A commitment by the applicant to provide, directly or through a formal partnership, necessary treatment and supportive services to the tenants and maintain the beds or housing units for at least a forty-year period;

(iii) Readiness to begin structural modifications or construction resulting in a fast project completion;

(iv) Program requirements that adhere to the key elements of permanent supportive housing programs including choice in housing and living arrangements, functional separation of housing and services, community integration, rights of tenancy, and voluntary recovery-focused services; and

(v) To achieve geographic distribution, the department must prioritize projects in rural areas as defined by the department per RCW 43.185.050 and unserved communities with the goal of maximizing the investment and increasing the number of supportive housing units in rural, unserved communities.

(b) \$10,000,000 of the appropriation in this section is provided solely for competitive grant awards for modular housing which includes high quality affordable housing projects that will quickly move people from homelessness into secure housing and are significantly less expensive to construct than traditional housing. These funds must be awarded to projects with a total project development cost per housing unit of less than \$125,000, excluding the value of land, off-site infrastructure costs, and any capitalized reserves, compliant with the Americans with disabilities act, and with a commitment by the applicant to maintain the housing units for at least a fifty year period.

(c) \$10,000,000 of the appropriation in this section is provided solely for a state match or state matches on private contributions that fund the production and preservation of affordable housing. Awards must be made using a competitive process. If any funding remains unallocated after the first fiscal year during the 2019-2021 fiscal biennium, the department may allocate the remaining funding through its annual competitive process for affordable housing projects that serve and benefit low-income and special needs populations in need of housing.

(d)(i) \$10,000,000 of the appropriation in this section is provided solely for housing preservation grants or loans to be awarded competitively.

(ii) The funds may be provided for major building improvements, preservation, and system replacements, necessary for the existing housing trust fund portfolio to maintain long-term viability. The department must require a capital needs assessment to be provided prior to contract execution. Funds may not be used to add or expand the capacity of the property.

(iii) To allocate preservation funds, the department must review applications and evaluate projects based on the following criteria:

(A) The age of the property, with priority given to buildings that are more than fifteen years old;

(B) The population served, with priority given to projects with at least 50 percent of the housing units being occupied by families and individuals at or below 50 percent area median income;

(C) The degree to which the applicant demonstrates that the improvements will result in a reduction of operating or utilities costs, or both;

(D) The potential for additional years added to the affordability period of the property; and

(E) Other criteria that the department considers necessary to achieve the purpose of this program.

(e)(i) \$7,000,000 of the appropriation in this section is provided solely for loans or grants to design and construct ultra-high energy efficient affordable housing projects.

(ii) To receive funding, a project must provide a life-cycle cost analysis report to the department and must demonstrate energy-saving and renewable energy systems either designed to reach net-zero energy use after housing is fully occupied or designed to achieve the most recent building standard of the passive house institute US as of the effective date of this section.

(iii) The department must consider, at a minimum and in any order, the following factors in assigning a numerical ranking to a project:

(A) Whether the proposed design has demonstrated that the project will achieve either net-zero energy use when fully occupied or will achieve the most recent building standard of the passive house institute US as of the effective date of this section;

(B) The life-cycle cost of the project;

(C) That the project demonstrates a design, use of materials, and construction process that can be replicated by the Washington building industry;

(D) The extent to which the project leverages nonstate funds;

(E) The extent to which the project is ready to proceed to construction;

(F) Whether the project promotes sustainable use of resources and environmental quality;

(G) Whether the project is being well managed to fund maintenance and capital depreciation;

(H) Reduction of housing and utilities carbon footprint; and

(I) Other criteria that the department considers necessary to achieve the purpose of this program.

(iv) The department must monitor and track the results of the housing projects that receive ultra-high energy efficiency funding under this section.

(f) \$45,950,000 of the appropriation in this section is provided solely for the following list of housing projects:

Bellwether Housing (Seattle)	\$6,000,000
Capitol Hill Housing Broadway (Seattle)	\$6,000,000
Crosswalk Teen Shelter and Transitional Housing Project (Spokane)	\$1,000,000
Ethiopian Community Affordable Housing (Seattle)	\$3,000,000
FUSION Emergency Housing for Homeless Families (Federal Way)	\$3,000,000
Highland Village (Airway Heights)	\$5,500,000
Home At Last (Tacoma)	\$1,500,000
Interfaith Works Shelter (Olympia)	\$3,000,000
NorthHaven Affordable Senior Housing Campus (Seattle)	\$1,000,000
Pateros Gardens (Pateros)	\$1,400,000
Roslyn Housing Project (Roslyn)	\$2,000,000
SCIDpda North Lot (Seattle)	\$9,000,000
Seattle Indian Health Board - Low Income Housing (Seattle)	\$1,000,000
Tenny Creek Assisted Living (Vancouver)	\$1,750,000
THA Arlington Drive (Tacoma)	\$800,000

(g) \$57,050,000 of the appropriation in this section is provided solely for affordable housing projects that serve and benefit low-income and special needs populations in need of housing. Of the amounts appropriated in this subsection, the department must allocate the funds as follows:

- (i) \$5,000,000 of the appropriation in this section is provided solely for housing for veterans;
- (ii) \$5,000,000 of the appropriation in this section is provided solely for housing that serves people with developmental disabilities;
- (iii) \$5,000,000 of the appropriation in this section is provided solely for housing that serves people who are employed as farmworkers; and
- (iv)(A) \$5,000,000 of the appropriation in this section is provided solely for housing projects that benefit homeownership.

(B) During the 2019-2021 fiscal biennium, the department must use a separate application form for applications to provide homeownership opportunities and evaluate homeownership project applications as allowed under chapter 43.185A RCW.

(C) In addition to the definition of "first-time home buyer" in RCW 43.185A.010, for the purposes of awarding homeownership projects during the 2019-2021 fiscal biennium "first time home buyer" also includes:

- (I) A single parent who has only owned a home with a former spouse while married;
- (II) An individual who is a displaced homemaker as defined in 24 C.F.R. Sec. 93.2 as it existed on the effective date of this section, or such subsequent date as may be provided by the department by rule, consistent with the purposes of this section, and has only owned a home with a spouse;

(III) An individual who has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations; or

(IV) An individual who has only owned a property that is discerned by a licensed building inspector as being uninhabitable.

(2) In evaluating projects in this section, the department must give preference for applications based on some or all of the criteria in RCW 43.185.070(5).

(3)(a) The department must strive to allocate all of the amounts appropriated in this section within the 2019-2021 fiscal biennium in the manner prescribed in subsection (1) of this section. However, if upon review of applications the department determines there are not adequate suitable projects in a category, the department may allocate funds to projects serving other low-income and special needs populations, provided those projects are located in an area with an identified need for the type of housing proposed.

(b) By June 30, 2021, the department must report on its web site the following for every previous funding cycle: The number of homeownership and multifamily rental projects funded by housing trust fund moneys; the percentage of housing trust fund investments made to homeownership and multifamily rental projects; and the total number of households being served at up to eighty percent of the area median income, up to fifty percent of the area median income, and up to thirty percent of the area median income, for both homeownership and multifamily rental projects.

(4)(a) The department, in cooperation with the housing finance commission, must develop and implement a process for the collection of certified final development cost data from each grant or loan recipient under this section. The department must use this data as part of its cost containment policy.

(b) Beginning December 1, 2019, and continuing annually, the department must provide the legislature with a report of its final cost data for each project under this section. Such cost data must, at a minimum, include total development cost per unit for each project completed within the past year, descriptive statistics such as average and median per unit costs, regional cost variation, and other costs that the department deems necessary to improve cost controls and enhance understanding of development costs. The department must coordinate with the housing finance commission to identify relevant development costs data and ensure that the measures are consistent across relevant agencies.

(5) The legislature recognizes projects serving households at or below 30 percent of area median income may not generate sufficient income to support long-term operations and services. In evaluating loan terms for projects funded by the housing trust fund program, particularly projects serving at or below 30 percent area median income households, the department must prioritize loan deferment to maintain long-term viability of projects.

Appropriation:

State Building Construction Account—State	\$45,950,000
State Taxable Building Construction Account—State.	\$129,050,000
Subtotal Appropriation	\$175,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$480,000,000
TOTAL	\$655,000,000

**Sec. 1029 was partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 1030. FOR THE DEPARTMENT OF COMMERCE

Pacific Tower Capital Improvements (40000037)

Appropriation:

State Taxable Building Construction Account—State	\$1,020,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$5,311,000
TOTAL	\$6,331,000

NEW SECTION. Sec. 1031. FOR THE DEPARTMENT OF COMMERCE

Public Works Board (40000038)

The appropriation in this section is subject to the following conditions and limitations:

- (1) During the 2019-2021 biennium, the public works board must prioritize water and sewer infrastructure projects.
- (2) \$1,422,000 of the amounts in this section is provided solely for a grant for the port Hadlock wastewater facility project.
- (3) \$1,400,000 of the amounts in this section is provided solely for a grant for the Eatonville water treatment plant project.
- (4) \$1,000,000 of the amounts in this section is provided solely for a grant for the Ferndale wastewater treatment project. Additionally, the public works board must prioritize financing a loan of up to \$4,000,000 for project.
- (5) \$4,000,000 of the amounts in this section is provided solely for a grant for the Wenatchi landing sewer extension - phase 1.
- (6) \$2,000,000 of the amounts in this section is provided solely for a grant for the Belfair sewer extension project. Additionally, the public works board must prioritize financing a loan of up to \$9,000,000 for the project.

Appropriation:

Public Works Assistance Account—State	\$95,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$95,000,000

NEW SECTION. Sec. 1032. FOR THE DEPARTMENT OF COMMERCE

2019-21 Building for the Arts Grant Program (40000039)

The appropriation in this section is subject to the following conditions and limitations:

- (1) The appropriation is subject to the provisions of RCW 43.63A.750.
- (2) Except as directed otherwise prior to the effective date of this section, the department may not expend the appropriation in this section unless and until the nonstate share of project costs have been either expended, or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by this appropriation. This requirement does not apply to projects where a share of the appropriation is for design costs only.
- (3) The appropriation is provided solely for the following list of projects:

Seattle Theatre Group	\$310,000
Music Center of the Northwest	\$300,000
Seattle Symphony Orchestra	\$912,000
Broadway Center for the Performing Arts	\$586,000
Bainbridge Artisan Resource Network	\$1,057,000
Nordic Heritage Museum Foundation	\$2,000,000
Imagine Children's Museum	\$2,000,000
Seattle Opera	\$526,000
KidsQuest Children's Museum	\$816,000
Central Stage Theatre of County Kitsap	\$964,000
Roxy Bremerton Foundation	\$51,000
Port Angeles Waterfront Center	\$1,112,000
Rehabilitating Fort Worden's Historic Warehouses	\$712,000
Sea Mar Museum of Chicano/a Latino/a Culture	\$654,000

Appropriation:

State Building Construction Account—State	\$12,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$48,000,000
TOTAL	\$60,000,000

NEW SECTION. Sec. 1033. FOR THE DEPARTMENT OF COMMERCE

2019-21 Community Economic Revitalization Board (40000040)

Appropriation:

Public Facility Construction Loan Revolving Account—State	\$8,600,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$34,400,000
TOTAL	\$43,000,000

NEW SECTION. Sec. 1034. FOR THE DEPARTMENT OF COMMERCE

2019-21 Youth Recreational Facilities Grant Program (40000041)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is subject to the provisions of RCW 43.63A.135.

(2) Except as directed otherwise prior to the effective date of this section, the department may not expend the appropriation in this section unless and until the nonstate share of project costs have been either expended or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by this appropriation. This requirement does not apply to projects where a share of the appropriation is for design costs only.

(3) The appropriation is provided solely for the following list of projects:

Boys and Girls Clubs of Benton and Franklin Counties	\$1,088,000
Yakima Valley Farm Workers Clinic	\$737,000
Tulalip Tribes of Washington	\$425,000
YMCA of Pierce and Kitsap Counties	\$1,200,000
YMCA of the Inland Northwest	\$10,000
Bainbridge Island Child Care Centers	\$90,000

YMCA of Greater Seattle-Camp Orkila	\$250,000
Plus Delta After School Studios, dba The Club	\$80,000
YMCA of Greater Seattle-Camp Colman	\$250,000
Boys and Girls Clubs of Snohomish County	\$400,000
Camp Korey	\$545,000
Woodland Community Swimming Pool Committee	\$805,000

Appropriation:

State Building Construction Account—State	\$5,880,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$20,000,000
TOTAL	\$25,880,000

NEW SECTION. Sec. 1035. FOR THE DEPARTMENT OF COMMERCE

Clean Energy Transition 4 (40000042)

The appropriations in this section are subject to the following conditions and limitations:

(1) The appropriations are provided solely for projects that provide a benefit to the public through development, demonstration, and deployment of clean energy technologies that save energy and reduce energy costs, reduce harmful air emissions, or increase energy independence for the state. Priority must be given to projects that benefit vulnerable populations, including tribes and communities with high environmental or energy burden.

(2) In soliciting and evaluating proposals, awarding contracts, and monitoring projects under this section, the department must:

(a) Ensure that competitive processes, rather than sole source contracting processes, are used to select all projects, except as otherwise noted in this section; and

(b) Conduct due diligence activities associated with the use of public funds including, but not limited to, oversight of the project selection process, project monitoring, and ensuring that all applications and contracts fully comply with all applicable laws including disclosure and conflict of interest statutes.

(3)(a) Pursuant to chapter 42.52 RCW, the ethics in public service act, the department must require a project applicant to identify in application materials any state of Washington employees or former state employees employed by the firm or on the firm's governing board during the past twenty-four months. Application materials must identify the individual by name, the agency previously or currently employing the individual, job title or position held, and separation date. If it is determined by the department that a conflict of interest exists, the applicant may be disqualified from further consideration for award of funding.

(b) If the department finds, after due notice and examination, that there is a violation of chapter 42.52 RCW, or any similar statute involving a grantee who received funding under this section, either in procuring or performing under the grant, the department in its sole discretion may terminate the funding grant by written notice. If the grant is terminated, the department must reserve its right to pursue all available remedies under law to address the violation.

(4) The requirements in subsections (2) and (3) of this section must be specified in funding agreements issued by the department.

(5) \$6,107,000 of the state building construction account—state appropriation is provided solely for grid modernization grants for projects that: Advance clean and renewable energy technologies and transmission and distribution control systems; support integration of renewable energy sources, deployment of distributed energy resources, and sustainable microgrids; and increase utility customer options for energy sources, energy efficiency, energy equipment, and utility services.

(a) Projects must be implemented by public and private electrical utilities that serve retail customers in the state. Priority must be given to: (i) Projects that benefit vulnerable populations, including tribes and communities with high environmental or energy burden; and (ii) projects that have a partner that is a tribe or nonprofit organization that serves community eligible entities. Utilities may partner with other public and private sector research organizations, businesses, tribes, and nonprofit organizations in applying for funding.

(b) The department shall develop a grant application process to competitively select projects for grant awards, to include scoring conducted by a group of qualified experts with application of criteria specified by the department. In development of the application criteria, the department shall, to the extent possible, allow smaller utilities or consortia of small utilities to apply for funding.

(c) Applications for grants must disclose all sources of public funds invested in a project.

(d) \$4,400,000 of the state building construction account—state appropriation is provided solely for providing shore power electrification at terminal five for the northwest seaport alliance. In order to receive this grant, the northwest seaport alliance must demonstrate that they applied to the VW settlement for this project and were denied.

(6)(a) \$8,100,000 of the state building construction account—state appropriation is provided solely for competitive grants for strategic research and development for new and emerging clean energy technologies. These grants will be used to match federal or other nonstate funds to research, develop, and demonstrate clean energy technologies.

(b) The department shall consult and coordinate with the University of Washington, Washington State University, the Pacific Northwest national laboratory and other clean energy organizations to design the grant program. Clean energy organizations who compete for grants from the program may not participate in the design of the grant program. Criteria for the grant program must include life cycle cost analysis for projects that are part of the competitive process.

(c) The program may include, but is not limited to: Solar technologies, advanced bioenergy and biofuels, development of new earth abundant materials or lightweight materials, advanced energy storage, battery components recycling, and new renewable energy and energy efficiency technologies.

(d) \$1,000,000 of the state building construction account—state appropriation is provided solely for grants that enhance the viability of dairy digester bioenergy projects, energy efficiency, and resource recovery to demonstrate advanced nutrient recovery systems that produce value added biofertilizers, reduce trucking of lagoon water, and improve soil health and air and water quality. Grants shall include at least one project east of the Cascades

and one project west of the Cascades. State agencies must promote and demonstrate the use of such recovered biofertilizers through state procurement and contracts.

(7)(a) \$3,000,000 of the state taxable building construction account—state appropriation is provided solely as grants to nonprofit lenders to create a revolving loan fund to support the widespread use of proven energy efficiency and renewable energy technologies by households with high energy burden or environmental health risk now inhibited by lack of access to capital.

(b) The department shall provide grant funds to one or more competitively selected nonprofit lenders that will provide matching private capital and will administer the loan fund. The department must select the loan fund administrator or administrators through a competitive process, with scoring conducted by a group of qualified experts, applying criteria specified by the department.

(c) The department must establish guidelines that specify applicant eligibility, the screening process, and evaluation and selection criteria. The guidelines must be used by the nonprofit lenders.

(8) \$5,000,000 of the state building construction account—state appropriation is provided solely for the Washington Maritime Innovation Center. The center must be used to support technology acceleration and incubation, and act as a focal point for maritime sustainability, including, but not limited to, supporting technology development for maritime decarbonization and electrification.

(9) \$8,300,000 of the state taxable construction account—state appropriation is provided solely for scientific instruments to help accelerate research in grid-scale energy storage at the proposed grid-scale energy storage research, development, and testing facility at the Pacific Northwest national laboratory. The state funds are contingent on securing federal funds for the new facility, and are provided as a match to the federal funding. The instruments will support collaborations with the University of Washington and the Washington State University.

(10) \$593,000 of the state building construction account—state appropriation is provided solely to the port of Grays Harbor for an offshore ocean wave renewable energy demonstration project.

(11) \$1,500,000 of the state building construction account—state appropriation is provided solely to the Port of Skagit for the Guemes ferry dock shore power charging infrastructure.

Appropriation:

State Building Construction Account—State	\$21,300,000
State Taxable Building Construction Account—State.	\$11,300,000
Subtotal Appropriation	\$32,600,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$160,000,000
TOTAL	\$192,600,000

NEW SECTION. Sec. 1036. FOR THE DEPARTMENT OF COMMERCE

2019-21 Building Communities Fund Program (40000043)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is subject to the provisions of RCW 43.63A.125.

(2) The department may not expend the appropriation in this section unless and until the nonstate share of project costs have been either expended or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by this appropriation. This requirement does not apply to projects where a share of the appropriation is for design costs only.

(3) The appropriation is provided solely for the following list of projects:

Mercy Housing Northwest	\$820,000
Northwest Indian College	\$232,000
Refugee Women's Alliance (ReWA)	\$392,000
Coastal Community Action Program	\$3,120,000
West African Community Council	\$387,000
YWCA Pierce County	\$750,000
Work Opportunities	\$25,000
Whatcom Dispute Resolution Center	\$118,000
University Heights Center for the Community	\$271,000
Chief Seattle Club	\$1,700,000
HomeSight	\$3,000,000
Unity Care NW	\$3,000,000
Rainier Valley Food Bank	\$950,000
Peninsula Behavioral Health	\$200,000
Compass Health	\$3,500,000
Blue Mountain Action Council	\$750,000
Encompass Northwest	\$1,500,000
Boys & Girls Clubs of the Olympic Peninsula	\$575,000
Community Action Council of Lewis, Mason & Thurston Counties	\$475,000
YMCA of Greater Seattle	\$2,000,000
South Sound YMCA	\$3,500,000
Downtown Emergency Service Center (DESC)	\$2,000,000
Friends of Youth	\$210,000
Holly Ridge Center, INC	\$600,000
Partners with Families & Children: Spokane	\$500,000
Port Gamble S'Klallam Tribe Health and Wellness Center	\$2,000,000
Willapa Center	\$260,000
Lynnwood Neighborhood Center	\$2,000,000
FareStart Capital Improvements	\$200,000
Ethiopian Community Village	\$750,000
Spokane Guilds' School Capital Campaign	\$1,000,000

(4) The South Sound YMCA project funded in this section may pilot the use of the Washington sustainable school design protocol defined in RCW 39.35D.020 instead of meeting the LEED silver standard as specified in RCW 39.35D.030.

Appropriation:

State Building Construction Account—State	\$36,785,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$120,000,000

TOTAL \$156,785,000

NEW SECTION. Sec. 1037. FOR THE DEPARTMENT OF COMMERCE

2019-21 Early Learning Facilities (40000044)

The appropriations in this section are subject to the following conditions and limitations:

(1) \$200,000 of the state building construction account—state appropriation is provided solely for the department of children, youth, and families to provide technical assistance to the department for the early learning facilities grants in this section.

(2) \$6,100,000 of the state building construction account—state appropriation is provided solely for the following list of early learning facility projects in the following amounts:

Proclaim Liberty Early Learning Facility	\$1,000,000
Roosevelt Child Care Center	\$1,500,000
City of Monroe, Boys & Girls Club ECEAP Facility	\$1,000,000
Family Support Center Olympia	\$600,000
Centralia-Chehalis Early Learning Conversion Project	\$2,000,000

(3) \$4,186,000 of the early learning facilities development account—state appropriation in this section is provided solely for the following list of early learning facility projects for school districts, subject to the provisions of RCW 43.31.573 through 43.31.583 and 43.84.092, in the following amounts:

Toppenish School District	\$111,000
Manson School District	\$400,000
Kettle Falls School District	\$395,000
North Thurston School District	\$324,000
Ellensburg School District	\$800,000
Everett School District	\$800,000
Tukwila School District	\$196,000
Richland School District	\$800,000
Lake Quinalt School District	\$360,000

(4) The remaining portion of the appropriation in this section is provided solely for early learning facility grants and loans subject to the provisions of RCW 43.31.573 through 43.31.583 and 43.84.092 to provide state assistance for designing, constructing, purchasing, expanding, or modernizing public or private early learning education facilities for eligible organizations.

(5) The department of children, youth, and families must develop methodology to identify, at the school district boundary level, the geographic locations of where early childhood education and assistance program slots are needed to meet the entitlement specified in RCW 43.216.556. This methodology must be linked to the caseload forecast produced by the caseload forecast council and must include estimates of the number of slots needed at each school district. This methodology must inform any early learning facilities needs assessment conducted by the department of commerce and the department of children, youth, and families. This methodology must be included as part of the budget submittal documentation required by RCW 43.88.030.

(6) When prioritizing areas with the highest unmet need for early childhood education and assistance program slots, the committee of early learning experts

convened by the department of commerce pursuant to RCW 43.31.581 must first consider those areas at risk of not meeting the entitlement in accordance with RCW 43.216.556.

(7) The department of commerce must track the number of slots being renovated separately from the number of slots being constructed and, within these categories, must track the number of slots separately by program for the working connections child care program and the early childhood education and assistance program.

(8) When prioritizing applications for projects, pursuant to subsection (4) of this section, within the boundaries of a regional transit authority in a county that has received distributions or appropriations under RCW 43.79.520, the department must give priority to applications for which at least ten percent of the total project cost is supported by those distributions or appropriations.

(9) The department, in consultation with the office of the superintendent of public instruction and the department of children, youth, and families must identify buildings in the inventory and condition of schools database that are no longer included in the inventory of K-12 instructional space for purposes of calculating school construction assistance pursuant to chapter 28A.515 RCW, but that could be repurposed as early learning facilities and made available to eligible organizations. The department must report its findings and the list of buildings identified in this section to the office of financial management and the appropriate fiscal committees of the legislature by January 15, 2020.

Appropriation:

State Building Construction Account—State	\$6,300,000
Early Learning Facilities Revolving Account—State	\$18,014,000
Early Learning Facilities Development Account—State.	\$4,186,000
Subtotal Appropriation	\$28,500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$80,000,000
TOTAL	\$108,500,000

NEW SECTION. Sec. 1038. FOR THE DEPARTMENT OF COMMERCE

2019-21 Weatherization (40000048)

The appropriation in this section is subject to the following conditions and limitations: \$5,000,000 is provided solely for grants for the Washington State University energy extension community energy efficiency program (CEEP) to support homeowners, tenants, and small business owners in making sound energy efficiency investments by providing consumer education and marketing, workforce support via training and lead generation, and direct consumer incentives for upgrades to existing homes and small commercial buildings; this is the maximum amount the department may expend for this purpose.

Appropriation:

State Building Construction Account—State	\$20,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$100,000,000
TOTAL	\$120,000,000

NEW SECTION. Sec. 1039. FOR THE DEPARTMENT OF COMMERCE

2019-21 Energy Efficiency and Solar Grants Program (40000049)

The appropriation in this section is subject to the following conditions and limitations:

(1)(a) \$1,785,000 for fiscal year 2020 and \$1,785,000 for fiscal year 2021 is provided solely for grants to be awarded in competitive rounds to local agencies, public higher education institutions, school districts and state agencies for operational cost savings improvements to facilities and related projects that result in energy and operational cost savings.

(b) At least twenty percent of each competitive grant round must be awarded in small cities or towns with a population of five thousand or fewer residents.

(c) In each competitive round, the higher the leverage ratio of nonstate funding sources to state grant and the higher the energy savings, the higher the project ranking.

(d) For school district applicants, priority consideration must be given to school districts that demonstrate improved health and safety through reduced exposure to polychlorinated biphenyl. Priority consideration must be given to applicants that have not received grant awards for this purpose in prior biennia.

(2) \$3,573,000 is provided solely for grants to be awarded in competitive rounds to local agencies, public higher education institutions, school districts, and state agencies for projects that involve the purchase and installation of solar energy systems, including solar modules and inverters, with a preference for products manufactured in Washington.

(3) \$5,357,000 is provided solely for the state efficiency and environmental performance improvements to minor works and stand-alone projects at state-owned facilities that repair or replace existing building systems including, but not limited to, HVAC, lighting, insulation, windows, and other mechanical systems. Eligibility for this funding is dependent on an analysis using the office of financial management's life-cycle cost tool that compares project design alternatives for initial and long-term cost-effectiveness. Assuming a reasonable return on investment, the department shall provide grants in the amount required to improve the project's energy efficiency compared to the original project request. Prior to awarding funds, the department shall submit to the office of financial management a list of all proposed awards for review and approval.

(4) The department shall develop metrics that indicate the performance of energy efficiency efforts.

Appropriation:

State Building Construction Account—State	\$12,500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$100,000,000
TOTAL	\$112,500,000

NEW SECTION. Sec. 1040. FOR THE DEPARTMENT OF COMMERCE

Rural Rehabilitation Loan Program (40000052)

Appropriation:

State Taxable Building Construction Account—State	\$5,000,000
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Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$20,000,000
TOTAL.....	\$25,000,000

NEW SECTION. Sec. 1041. FOR THE DEPARTMENT OF COMMERCE

2019-21 Behavioral Health Capacity Grants (40000114)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is provided solely for the department of commerce to issue grants to community hospitals or other community providers to expand and establish new capacity for behavioral health services in communities. The department of commerce must consult an advisory group consisting of representatives from the department of social and health services, the health care authority, one representative from a managed care organization, one representative from an accountable care organization, and one representative from the association of county human services. Amounts provided in this section may be used for construction and equipment costs associated with establishment of the facilities. The department of commerce may approve funding for the acquisition of a facility or land if the project results in increased capacity. Amounts provided in this section may not be used for operating costs associated with the treatment of patients using these services.

(2) The department must establish criteria for the issuance of the grants, which must include:

(a) Evidence that the application was developed in collaboration with one or more regional behavioral health entities that administer the purchasing of services;

(b) Evidence that the applicant has assessed and would meet gaps in geographical behavioral health services needs in their region;

(c) Evidence that the applicant is able to meet applicable licensing and certification requirements in the facility that will be used to provide services;

(d) A commitment by applicants to serve persons who are publicly funded and persons detained under the involuntary treatment act under chapter 71.05 RCW;

(e) A commitment by the applicant to maintain and operate the beds or facility for a time period commensurate to the state investment, but for at least a fifteen-year period;

(f) The date upon which structural modifications or construction would begin and the anticipated date of completion of the project;

(g) A detailed estimate of the costs associated with opening the beds;

(h) A financial plan demonstrating the ability to maintain and operate the facility; and

(i) The applicant's commitment to work with local courts and prosecutors to ensure that prosecutors and courts in the area served by the hospital or facility will be available to conduct involuntary commitment hearings and proceedings under chapter 71.05 RCW.

(3) In awarding funding for projects in subsection (5) of this section, the department, in consultation with the advisory group established in subsection (1) of this section, must strive for geographic distribution and allocate funding based

on population and service needs of an area. The department must consider current services available, anticipated services available based on projects underway, and the service delivery needs of an area.

(4) The department must prioritize projects that increase capacity in unserved and underserved areas of the state.

(5) \$47,000,000 is provided solely for a competitive process for each category listed and is subject to the criteria in subsections (1), (2), (3), and (4) of this section:

(a) \$4,000,000 is provided solely for at least two enhanced service facilities for long-term placement of patients discharged or diverted from the state psychiatric hospitals and that are not subject to federal funding restrictions that apply to institutions of mental diseases;

(b) \$10,000,000 is provided solely for enhanced adult residential care facilities for long-term placements of dementia discharged or diverted from the state psychiatric hospitals and are not subject to federal funding restrictions that apply to institutions of mental diseases;

(c) \$4,000,000 is provided solely for at least two facilities with secure withdrawal management and stabilization treatment beds that are not subject to federal funding restrictions that apply to institutions of mental diseases;

(d) \$2,000,000 is provided solely for one or more crisis diversion or stabilization facilities to add sixteen beds in the Spokane region that will address both urban and rural needs, consistent with the settlement agreement in *A.B. by and through Trueblood, et al., v. DSHS, et al.* and that are not subject to federal funding restrictions that apply to institutions of mental diseases;

(e) \$5,000,000 is provided solely for at least four mental health peer respite centers that are not subject to federal funding restrictions that apply to institutions of mental diseases. No more than one mental health peer respite center should be funded in each of the nine regions;

(f) \$8,000,000 is provided solely for the department to provide grants to community hospitals, freestanding evaluation and treatment providers, or freestanding psychiatric hospitals to develop capacity for beds to serve individuals on ninety-day or one hundred eighty-day civil commitments as an alternative to treatment in the state hospitals. In awarding this funding, the department must coordinate with the department of social and health services, the health care authority, and the department of health and must only select facilities that meet the following conditions:

(i) The funding must be used to increase capacity related to serving individuals who will be transitioned from or diverted from the state hospitals;

(ii) The facility is not subject to federal funding restrictions that apply to institutions of mental diseases;

(iii) The provider has submitted a proposal for operating the facility to the health care authority;

(iv) The provider has demonstrated to the department of health and the health care authority that it is able to meet the applicable licensing and certification requirements for the facility that will be used to provide services; and

(v) The health care authority has confirmed that it intends to contract with the facility for operating costs within funds provided in the omnibus operating appropriations act for these purposes.

(g) \$4,000,000 is provided solely for competitive community behavioral health grants to address regional needs;

(h) \$8,000,000 is provided solely for at least four intensive behavioral health treatment facilities for long-term placement of behavioral health patients with complex needs and that are not subject to federal funding restrictions that apply to institutions of mental diseases; and

(i) \$2,000,000 is provided solely for grants to community providers to increase behavioral health services and capacity for children and minor youth including, but not limited to, services for substance use disorder treatment, sexual assault and traumatic stress, anxiety, or depression, and interventions for children exhibiting aggressive or depressive behaviors in facilities that are not subject to federal funding restrictions. Consideration must be given to programs that incorporate outreach and treatment for youth dealing with mental health or social isolation issues.

(6) \$1,000,000 is provided solely for deposit into the revolving fund established in Second Substitute House Bill No. 1528 (recovery support services) for capital improvements. If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(7) \$49,543,000 is provided solely for the following list of projects and is subject to the criteria in subsection (1) of this section:

CHAS Spokane Behavioral Health	\$400,000
Chelan SUD Design.	\$206,000
Columbia Valley Community Health Remodel	\$31,000
Colville SUD Facility	\$4,523,000
Community Health of Snohomish County Edmonds	\$1,000,000
DESC Health Clinic.	\$6,000,000
Detox/Inpatient SUD Building (Centralia)	\$750,000
Evergreen RC Addiction Treatment Facility for Mothers (Everett)	\$2,000,000
HealthPoint Behavioral Health Expansion (Auburn)	\$1,030,000
Issaquah Opportunity Center (Issaquah)	\$3,000,000
Jamestown S'Klallam Behavioral Health.	\$7,200,000
Lynnwood Sea Mar Behavioral Health Expansion	\$1,000,000
Nexus Youth and Families	\$535,000
North Sound SUD Treatment Facility (Everett)	\$1,500,000
Oak Harbor Tri-County Behavioral Health.	\$1,000,000
Peninsula Community Health Services Behavioral Health Expansion (Bremerton).	\$1,700,000
Providence Regional Medical Center	\$4,700,000
Sea Mar Community Health Centers Seattle BH (Seattle)	\$371,000
Sedro-Woolley North Sound E&T.	\$6,600,000
Spokane Crisis Stabilization	\$2,000,000
Virginia Mason Acute Stabilization.	\$2,200,000
Yakima Neighborhood Health Services.	\$488,000
Yakima Valley Farm Workers Clinic	\$309,000
YVFWC Children's Village	\$1,000,000

(8)(a) \$20,000,000 of the appropriation in this section is provided solely for a contract with MultiCare to provide a mixed-use psychiatric care facility in Auburn. The facility must include twelve to eighteen crisis stabilization beds,

sixty commitment beds for short-term stays, and sixty long-term involuntary commitment beds for persons on a ninety-day or one hundred eighty-day civil commitment.

(b) The funding in this subsection is subject to the recipient maintaining and operating the beds for at least thirty years to serve (i) persons who are publicly funded and (ii) persons who are detained under the involuntary treatment act under chapter 71.05 RCW.

(9) \$408,000 is provided solely for the department for the purpose of providing technical assistance for the community behavioral health grants.

(10) The department of commerce must notify all applicants that they may be required to have a construction review performed by the department of health.

(11) To accommodate the emergent need for behavioral health services, the department of health and the department of commerce, in collaboration with the health care authority and the department of social and health services, must establish a concurrent and expedited process to assist grant applicants in meeting any applicable regulatory requirements necessary to operate inpatient psychiatric beds, freestanding evaluation and treatment facilities, enhanced services facilities, triage facilities, crisis stabilization facilities, or secure detoxification/secure withdrawal management and stabilization facilities.

(12) The department must strive to allocate all of the amounts appropriated within subsection (5) of this section in the manner prescribed. However, if upon review of applications, the department determines, in consultation with the advisory group established in subsection (1) of this section, that there are not adequate suitable projects in a category, the department may allocate funds to other behavioral health capacity project categories within subsection (5) of this section, prioritizing projects in unserved areas of the state.

(13) The department must provide a progress report by November 1, 2020. The report must include:

(a) The total number of applications and amount of funding requested;

(b) A list and description of the projects approved for funding including state funding, total project cost, services anticipated to be provided, bed capacity, and anticipated completion date; and

(c) A status report of projects that received funding in prior funding rounds, including details about the project completion and the date the facility began providing services.

Appropriation:

State Building Construction Account—State	\$117,951,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$360,000,000
TOTAL	\$477,951,000

NEW SECTION. Sec. 1042. FOR THE DEPARTMENT OF COMMERCE

2020 Local and Community Projects (40000116)

The appropriation in this section is subject to the following conditions and limitations:

(1) The department shall not expend the appropriation in this section unless and until the nonstate share of project costs have been either expended or firmly committed, or both, in an amount sufficient to complete the project or a distinct

phase of the project that is useable to the public for the purpose intended by the legislature. This requirement does not apply to projects where a share of the appropriation is for design costs only.

(2) Prior to receiving funds, project recipients must demonstrate that the project site is under control for a minimum of ten years, either through ownership or a long-term lease. This requirement does not apply to appropriations for preconstruction activities or appropriations in which the sole purpose is to purchase real property that does not include a construction or renovation component.

(3) Projects funded in this section may be required to comply with Washington's high performance building standards as required by chapter 39.35D RCW.

(4) Project funds are available on a reimbursement basis only, and shall not be advanced under any circumstances.

(5) In contracts for grants authorized under this section the department shall include provisions which require that capital improvements be held by the grantee for a specified period of time appropriate to the amount of the grant and that facilities be used for the express purpose of the grant. If the grantee is found to be out of compliance with provisions of the contract, the grantee shall repay to the state general fund the principal amount of the grant plus interest calculated at the rate of interest on state of Washington general obligation bonds issued most closely to the date of authorization of the grant.

(6) Projects funded in this section, including those that are owned and operated by nonprofit organizations, are generally required to pay state prevailing wages.

(7) The appropriation is provided solely for the following list of projects:

2nd Ave. "Home" in Lushootseed (Seattle)	\$947,000
4th Ave. Street Enhancement (White Center)	\$670,000
Abigail Stuart House (Olympia)	\$250,000
Aging in PACE Washington (AiPACE) (Seattle)	\$1,500,000
Airport Utility Extension (Pullman)	\$1,626,000
Aquatic and Recreation Center (King County)	\$1,050,000
Arivva Community Center (Tacoma)	\$1,000,000
Arlington B&G Club Parking Safety (Arlington)	\$530,000
Asotin Masonic Lodge (Asotin)	\$62,000
Auburn Arts & Culture Center (Auburn)	\$500,000
Audubon Center (Sequim)	\$1,000,000
B&GC of Olympic Peninsula (Port Angeles)	\$500,000
B&GC of Thurston County (Lacey)	\$98,000
Ballard Food Bank (Seattle)	\$750,000
Battle Ground YMCA (Battle Ground)	\$500,000
Beacon Center Renovation (Tacoma)	\$1,000,000
Bellevue HERO House (Bellevue)	\$46,000
Benton Co. Museum Building Improvements (Prosser)	\$103,000
Big Brothers Big Sisters Learning Lab (Olympia)	\$56,000
Blue Mountain Action Council Comm. Services Center (Walla Walla)	\$1,000,000
Bothell Downtown Revitalization (Bothell)	\$1,500,000
Bowers Field Airport (Ellensburg)	\$275,000

Boys & Girls Club of Thurston Co. Upgrades (Rochester)	\$31,000
Boys & Girls Club Roof and Flooring Repairs (Federal Way)	\$319,000
Breeze Creek Culvert Replacement/East 4th St. Widening (La Center)	\$1,500,000
Browns Park Project (Spokane Valley)	\$536,000
Buffalo Soldiers' Museum (Seattle)	\$200,000
Camas Washougal Nature Play Area (Washougal)	\$103,000
Campus Towers (Longview)	\$228,000
Carbonado Water Source Protection Acquisition (Carbonado)	\$1,500,000
Carl Maxey Center (Spokane)	\$350,000
Carlisle Lake Park Improvements (Onalaska)	\$213,000
Carlyle Housing Facility Upgrades (Spokane)	\$400,000
Cathlamet Pioneer Center Restoration (Cathlamet)	\$165,000
Centerville Fire Dept. (Centerville)	\$216,000
Centerville Grange (Centerville)	\$90,000
Centralia Fox Theater (Centralia)	\$1,000,000
Chehalis River Bridge Ped Safety Lighting Ph2 (Aberdeen)	\$323,000
Cheney Reclaimed Water Project (Cheney)	\$2,000,000
Chief Kitsap Education and Community Resource Center (Poulsbo)	\$1,000,000
Chief Leschi Schools Facilities & Safety Project (Puyallup)	\$250,000
Chief Leschi Schools Safety & Security (Puyallup)	\$250,000
Children's Center Design & Feasibility Study (Vancouver)	\$400,000
Clymer Museum Remodel Ph2 (Ellensburg)	\$258,000
Colfax Pantry Building (Colfax)	\$247,000
Community Services of Moses Lake Food Bank Facility (Moses Lake)	\$2,000,000
Conconully Community Services Complex (Conconully)	\$515,000
Cosmopolis Elem. Energy & Safety (Cosmopolis)	\$206,000
Coulee City Medical Clinic (Coulee City)	\$150,000
Curran House Museum (University Place)	\$43,000
Dakota Homestead (Seattle)	\$155,000
Dawson Park Improvements (Tacoma)	\$258,000
Dayton Pump Station (Edmonds)	\$515,000
Dock and Marine Terminal (Seattle)	\$750,000
Downtown Park Gateway (Bellevue)	\$1,030,000
Dungeness River Audubon Center Expansion (Sequim)	\$500,000
East Blaine Infrastructure (Blaine)	\$500,000
Ejido Community Farm (Whatcom)	\$250,000
El Centro de la Raza Federal Way Office (Federal Way)	\$1,000,000
Enumclaw Aquatic Center (Enumclaw)	\$258,000
Enumclaw Expo Center Roof (Enumclaw)	\$250,000
Everett TOD Study (Everett)	\$200,000
Everett YMCA (Everett)	\$1,000,000
Evergreen High School Health Center (Vancouver)	\$388,000
Evergreen Speedway Capital Improvement (Monroe)	\$150,000
Excelsior Integrated Care Ctr. Sports Court (Spokane)	\$266,000

Excelsior Roof & Gym Repair (Spokane)	\$263,000
Excelsior Vocational Education Space (Spokane)	\$164,000
Expanding on Excellence Capital Campaign (White Salmon)	\$500,000
Family Education and Support Services (Tumwater)	\$500,000
Felts Field Gateway Improvement Phase 1 (Spokane)	\$100,000
Fennel Creek Trailhead (Bonney Lake)	\$258,000
Filipino Hall Renovation (Wapato)	\$63,000
Fircrest Pool (Fircrest)	\$1,000,000
FISH Food Bank (Ellensburg)	\$772,000
Fishtrap Creek Habitat Improvement (Lynden)	\$258,000
Flood Plain Stabilization, Habitat Enhancement (Kent)	\$1,000,000
Food Lifeline (Seattle)	\$1,004,000
Foothills Trail Extension (Wilkeson)	\$500,000
Fort Steilacoom Park Artificial Turf Infields (Lakewood)	\$1,015,000
Fourth Plain Community Commons (Vancouver)	\$800,000
Garfield Co. Hospital HVAC (Pomeroy)	\$250,000
Gateway Center (Grays Harbor)	\$500,000
Gene Coulon Memorial Beach Park Play Equipment Upgrade (Renton)	\$618,000
George Community Hall Roof (George)	\$201,000
George Davis Creek Fish Passage Project (Sammamish)	\$515,000
Gig Harbor Food Bank (Gig Harbor)	\$180,000
Goldendale Airport (Goldendale)	\$550,000
Grand Connection Downtown Park Gateway (Bellevue)	\$1,000,000
Granger Historical Museum Construction (Granger)	\$150,000
Granite Falls Police Dept. Renovation Project (Granite Falls)	\$412,000
Grays Harbor and Willapa Bay Sedimentation (Grays Harbor)	\$464,000
Grays Harbor YMCA (Grays Harbor)	\$293,000
Greater Maple Valley Veterans Memorial (Maple Valley)	\$102,000
Green Bridges, Healthy Communities; Aurora Bridge I-5 (Seattle)	\$1,500,000
Greenwood Cemetery Restoration (Centralia)	\$402,000
Greenwood Cemetery Safety Upgrades (Centralia)	\$91,000
HealthPoint (Tukwila)	\$1,000,000
HealthPoint Dental Expansion (SeaTac)	\$1,545,000
Heritage Senior Housing (Chelan)	\$52,000
High Dune Trail & Conservation Project (Ocean Shores)	\$140,000
Historic Downtown Chelan Revitalization (Chelan)	\$52,000
Historic Olympic Stadium Preservation Project (Hoquiam)	\$515,000
Historical Museum & Community Center Roof Replacement (Washtucna)	\$24,000
Historical Society Energy Upgrades (Anderson Island)	\$14,000
Hoh Tribe Broadband (Grays Harbor)	\$129,000
Horseshoe Lake ADA Upgrades (Woodland)	\$82,000
Housing Needs Study (Statewide)	\$200,000
Howard Bowen Event Complex (Sumas)	\$1,712,000
Howe Farm Water Service (Port Orchard)	\$52,000

ICHS Bellevue Clinic Renovation Project (Bellevue)	\$1,600,000
Illahee Preserve's Lost Continent Acquisition (Bremerton)	\$335,000
Ilwaco Boatyard Modernization (Ilwaco)	\$458,000
Imagine Children's Museum Expansion and Renovation (Everett)	\$2,000,000
Index Water System Design (Index)	\$23,000
Infrastructure for Economic Development (Port Townsend)	\$675,000
Innovative Health Care Learning Center Phase 1 (Yakima)	\$500,000
Interactive Educ. Enh./Friends Issaquah Hatchery (Issaquah)	\$113,000
Intersection Improvements Juanita Dr. (Kirkland)	\$750,000
Japanese American Exclusion Memorial (Bainbridge Island)	\$155,000
Japanese Gulch Daylight Project (Mukilteo)	\$400,000
Keller House and Carriage House Paint Restoration (Colville)	\$45,000
Key Kirkland Sidewalk Repairs (Kirkland)	\$537,000
Key Peninsula Elder Community (Gig Harbor)	\$1,000,000
Ki-Be School Parking Lot Improvements (Benton City)	\$268,000
Kitsap Conservation Study (Kitsap)	\$51,000
Kittitas Valley Event Center (Ellensburg)	\$206,000
Klickitat Co. Sheriff Office Training Bldg. (Goldendale)	\$335,000
KNKX Radio Studio (Tacoma)	\$824,000
Lacey Veterans Services Hub Facility Renovation (Lacey)	\$2,000,000
Lake Chelan Community Center (Lake Chelan)	\$250,000
Lake Chelan Water Supply (Wenatchee)	\$464,000
Lake City Community Center Replacement (Seattle)	\$2,000,000
Lake Stevens Civic Center Phase II (Lake Stevens)	\$1,000,000
Lake Sylvia State Park Pavilion (Montesano)	\$250,000
Lake Wilderness Park Improvements (Maple Valley)	\$200,000
Land Use & Infrastructure Subarea Plan (Mill Creek)	\$300,000
Larson Gallery Renovation (Yakima)	\$875,000
Leffler Park (Manson)	\$265,000
Legacy in Motion (Puyallup)	\$1,750,000
Legacy Site Utility Infrastructure (Maple Valley)	\$154,000
Lewis Co. CHS Pediatric Clinic (Centralia)	\$84,000
Little Badger Mountain Trailhead (Richland)	\$464,000
Little Mountain Road Pipeline and Booster Station (Mount Vernon)	\$1,300,000
Long Beach Police Department (Long Beach)	\$705,000
Lopez Island Swim Center (Lopez Island)	\$1,000,000
Lummi Hatchery Project (San Juan)	\$1,000,000
Mabton City Park (Mabton)	\$54,000
Main Street Redevelopment Project - Phase 2 (University Place)	\$985,000
Mariner Community Campus (Everett)	\$2,250,000
Mary's Place (Burien)	\$2,050,000
Marymount Museum/Spana-Park Senior Center (Spanaway)	\$1,000,000
McChord Airfield North Clear Zone (Lakewood)	\$500,000
McCormick Woods Sewer Lift #2 Improvements (Port Orchard)	\$800,000

Melanie Dressel Park (Tacoma)	\$500,000
Mercer Is/Aubrey Davis Park Trail Upgrade (Mercer Island)	\$500,000
Missing & Murdered Indigenous Women Memorial (Toppenish)	\$49,000
Monroe B&G Club ADA Improvements (Monroe)	\$464,000
Mountlake Terrace Main Street (Mountlake Terrace).	\$750,000
Mt. Adams Comm. Forest, Klickitat Canyon Rim Purchase (Glenwood)	\$400,000
Mt. Adams School District Athletic Fields (Harrah)	\$242,000
Mt. Peak Fire Lookout Tower (Enumclaw)	\$381,000
Mt. Spokane SP Ski Lift (Mead).	\$750,000
Mukilteo Promenade (Mukilteo).	\$500,000
Museum Storage Building (Steilacoom).	\$72,000
Naches Fire/Rescue, Yakima Co. #3 (Naches)	\$200,000
Naselle HS Music/Vocational Wing (Naselle)	\$258,000
Naselle Primary Care Clinic (Naselle)	\$216,000
Naselle SD Flooring (Naselle)	\$237,000
NCRA Maint. Bldg., Parking Lot, Event Space (Castle Rock)	\$283,000
NEW Health Programs, Colville Dental Clinic (Colville)	\$1,250,000
Newman Lake Flood Control Zone District (Newman Lake)	\$415,000
North Elliott Bay Public Dock; Marine Transit Terminal (Seattle)	\$1,000,000
Northshore Senior Center Rehabilitation Project (Bothell)	\$500,000
Northwest African American Museum (Seattle)	\$500,000
Northwest Native Canoe Center (Seattle).	\$986,000
NW School of Wooden Boatbuilding (Port Hadlock)	\$464,000
Oak Harbor Marina (Oak Harbor)	\$400,000
Oakville SD Kitchen Renovation (Oakville)	\$517,000
Oddfellows Ellensburg Bldg. Restoration (Ellensburg)	\$267,000
Opening Doors - Permanent Supportive Housing Facility (Bremerton)	\$750,000
Orting City Hall and Police Station (Orting)	\$600,000
Orting Ped Evac Crossing (Orting).	\$103,000
Othello Regional Water (Othello).	\$425,000
Outdoors for All (Seattle).	\$1,000,000
Pacific Co. Fairgrounds Roof (Menlo)	\$210,000
Packwood FEMA Floodplain Study (Packwood).	\$637,000
Pasco Farmers Market & Park (Pasco)	\$154,000
Pendergast Regional Park Phase II (Bremerton).	\$50,000
Peninsula Community Health Service Dental Mobile (Bremerton)	\$340,000
PenMet - Cushman Trail Enhancements (Gig Harbor).	\$52,000
PenMet Community Rec Center (Gig Harbor)	\$173,000
Pet Overpopulation Prevention Vet Clinic Building (West Richland)	\$300,000
Pine Garden Apartment Roof (Shelton)	\$46,000
Pioneer Park Fountain (Walla Walla)	\$9,000
Pomeroy Booster Pumping Station (Pomeroy).	\$96,000
Port of Everett (Everett)	\$300,000
Port of Ilwaco Boatyard Modernization (Ilwaco).	\$545,000

Port of Willapa Harbor Dredging Support Boat (Tokeland)	\$180,000
Poulsbo Historical Society (Poulsbo)	\$400,000
Prairie View Schoolhouse Community Center (Waverly)	\$57,000
Protect Sewer Plant from Erosion (Ocean Shores)	\$155,000
Puyallup Culvert Replacement (Puyallup)	\$515,000
Puyallup Street Frontage Improvement (Puyallup)	\$258,000
Puyallup VFW Kitchen Renovation (Puyallup)	\$52,000
Quincy Hospital (Quincy)	\$300,000
Quincy Square on 4th (Bremerton)	\$206,000
Recreation Park Renovation (Chehalis)	\$258,000
Redmond Pool (Redmond)	\$1,000,000
Renton Trail Connector (Renton)	\$500,000
Richmond Highland Recreation Center Repairs (Shoreline)	\$500,000
Rise Together White Center Project (King County)	\$1,000,000
Ritzville Business & Entrepreneurship Center (Ritzville)	\$350,000
Rosalia Sewer Improvements (Rosalia)	\$500,000
Roslyn Downtown Assoc. (Roslyn)	\$480,000
Royal Park & Rec Ctr. (Royal City)	\$250,000
Sargent Oyster House Maritime Museum (Allyn)	\$218,000
Schmid Ballfields Ph3 (Washougal)	\$584,000
Scott Hill Park & Sports Complex (Woodland)	\$500,000
Sea Mar Community Health Centers Tumwater Dental (Olympia)	\$170,000
Seaport Landing (Aberdeen)	\$349,000
Seattle Aquarium (Seattle)	\$1,000,000
Seattle Goodwill (Seattle)	\$2,000,000
Sewage Lagoon Decommissioning (Concrete)	\$255,000
Shelton Civic Center Parking Lot (Shelton)	\$283,000
Shoreline Maintenance Facility - Brightwater Site (Shoreline)	\$500,000
Skabob House Cultural Center (Shelton)	\$350,000
Skagit County Sheriff Radios (Skagit)	\$1,000,000
Skamania Courthouse Plaza (Stevenson)	\$150,000
Snohomish Carnegie Project (Snohomish)	\$500,000
Snohomish County Sheriff's Office South Precinct (Snohomish)	\$1,000,000
Snohomish Fire District #26 Communications Project (Gold Bar)	\$27,000
Snoqualmie Early Learning Center (Snoqualmie)	\$500,000
Snoqualmie Valley Youth Activities Center (North Bend)	\$412,000
South Fork Snoqualmie Levee Setback Project (North Bend)	\$250,000
SOZO Sports Indoor Arena (Yakima)	\$600,000
Spokane Sportsplex (Spokane)	\$1,000,000
Springbrook Park Expansion & Clover Creek Restoration (Lakewood)	\$773,000
SR 503 Ped/Bike Ph1&2 (Woodland)	\$235,000
SR 530 "Oso" Slide Memorial (Arlington)	\$300,000
Stan and Joan Cross Park (Tacoma)	\$500,000
Starfire Sports STEM (Tukwila)	\$250,000

Step by Step (Puyallup)	\$500,000
Stevens Co. Disaster Response Communications (Colville)	\$500,000
Sultan Water Treatment Plant Design (Sultan)	\$246,000
Sumas History Themed Playground and Water Park (Sumas)	\$288,000
Sunnyside Airport Hangar Maintenance Facility (Sunnyside)	\$500,000
Sunnyside Yakima Valley-TEC Welding Program (Yakima)	\$26,000
Sunset Multi-Service & Career Development Center (Renton)	\$1,000,000
SW WA Dance Center (Chehalis)	\$62,000
SW WA Fairgrounds (Chehalis)	\$103,000
SW Washington Regional Agriculture & Innovation Park (Tenino)	\$1,500,000
Swede Hall Renovation (Rochester)	\$196,000
Tacoma Beacon Center Renovation (Tacoma)	\$1,000,000
Tacoma Community House (Tacoma)	\$413,000
Tam O'Shanter Park Circulation & Parking Phase 2 (Kelso)	\$1,030,000
Tehaleh Slopes Bike Trail (Bonney Lake)	\$309,000
Telford Helipad (Creston)	\$52,000
Tenino City Hall Renovation (Tenino)	\$515,000
Terminal 1 Waterfront Development (Vancouver)	\$4,700,000
The AMP: Aids Memorial Pathway (Seattle)	\$600,000
The Morck Hotel (Aberdeen)	\$500,000
Toledo Sewer & Water (Toledo)	\$469,000
Tonasket Senior Citizen Ctr. (Tonasket)	\$33,000
Town Center to Burke Gilman Trail Connector (Lake Forest Park)	\$500,000
Tukwila Village Food Hall (Tukwila)	\$400,000
Twin Springs Park (Kenmore)	\$155,000
Twisp Civic Building & EOC (Twisp)	\$1,288,000
United Way of Pierce County HVAC (Tacoma)	\$206,000
University Place Arts (University Place)	\$34,000
Vertical Evacuation (Ocean Shores)	\$500,000
Veterans Memorial Museum (Chehalis)	\$123,000
Veterans Supportive Housing (Yakima)	\$2,500,000
VOA Lynnwood Center (Lynnwood)	\$1,000,000
Volunteer Park Amphitheater (Seattle)	\$500,000
West Kelso Affordable Housing & Community Facility Study (Kelso)	\$258,000
WA Poison Control IT (Seattle)	\$151,000
Waitsburg Taggart Road Waterline (Waitsburg)	\$456,000
Walla Walla Dodd Water System Improvement (Walla Walla)	\$1,000,000
Wapato Creek Restoration (Fife)	\$258,000
Warren Ave. Playfield (Bremerton)	\$206,000
Washington Park Boat Launch Storm Damage (Anacortes)	\$200,000
Wesley Homes (Des Moines)	\$2,000,000
Westport Dredge Material Use (Westport)	\$250,000
Whidbey Is. B&G Coupeville (Coupeville)	\$849,000
Whidbey Is. B&G Oak Harbor (Oak Harbor)	\$743,000

White Center Community HUB (Seattle).....	\$500,000
Wilkeson Water Protection (Wilkeson).....	\$36,000
Willapa BH - Long Beach Safety Improvement Project (Long Beach).....	\$225,000
William Shore Memorial Pool (Port Angeles).....	\$840,000
Wing Luke Museum Homestead Home (Seattle).....	\$500,000
Wisdom Ridge Business Park (Ridgefield).....	\$2,000,000
Yakima Co. Veterans Dental Facility (Yakima).....	\$469,000
Yakima Valley Fair & Rodeo Multi-Use Facility (Grandview).....	\$200,000
Yelm Business Incubator Serving Thurston/Pierce Counties (Yelm).....	\$200,000
Yelm Water Tower (Yelm).....	\$303,000
YMCA Childcare Center Tenant Improvements (Woodinville).....	\$1,000,000

(8) \$400,000 of the appropriation in this section is provided solely to the city of Oak Harbor to enhance the fiscal sustainability and revenue generation of the city-owned marina through feasibility work, planning, development, and acquisition.

(9) \$200,000 of the appropriation in this section is provided solely for the department to contract for a study regarding both available and needed affordable housing for farmworkers and Native Americans in Washington state. The study must include data to inform policies related to affordable housing for farmworkers and Native Americans and supplement the housing assessment conducted by the affordable housing advisory board created in chapter 43.185B RCW.

(10) \$200,000 of the appropriation in this section is provided solely for a grant to the Tacoma buffalo soldiers' museum to conduct a feasibility study for the rehabilitation of building 734, the band barracks at Fort Lawton in Discovery park. The study will provide an assessment of general conditions of building 734 and cost estimates for a comprehensive rehabilitation of the building to meet current building codes including, but not limited to heating, ventilation, air conditioning, and mechanical systems, seismic retrofits, and compliance with the Americans with disabilities act.

(11) \$1,300,000 of the appropriation in this section is provided solely for a grant to the Skagit public utility district for the Little Mountain Road pipeline and booster station. \$1,000,000 of these funds are provided solely for the design phase of the project; \$150,000 of these funds are provided solely for land acquisition; and \$150,000 of these funds are provided solely to the district for a public outreach effort to solicit input on the project from residents and rate payers.

Appropriation:

State Building Construction Account—State	\$162,793,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL	\$162,793,000

***NEW SECTION. Sec. 1043. FOR THE DEPARTMENT OF COMMERCE**

Washington Broadband Program (40000117)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is provided solely for implementation of Second Substitute Senate Bill No. 5511 (broadband service). If the bill is not enacted by June 30, 2019, the amounts provided in this section shall lapse.

(2) The funding in this section is provided solely for grants, loans, and administrative expenses related to implementation of the broadband program. Of the total funds:

(a) \$14,440,000 is provided solely for loans. Moneys attributable to appropriations of state bond proceeds may not be expended for loans to nongovernmental entities.

(b) \$7,110,000 is provided solely for grants.

(3) *The public works board must collaborate with the community economic revitalization board on at least:*

(a) Existing universal communications account funding that will be used for grant or loan distributions in the 2019-2021 biennial period; and

(b) New grants and loans from the statewide broadband account created in Second Substitute Senate Bill No. 5511 (broadband service).

(4) By January 1, 2021, in the first report to the legislature required under section 6 of Second Substitute Senate Bill No. 5511 (broadband service), the governor's statewide broadband office must include a list of potential regional projects that will accelerate broadband access by providing connections to local jurisdictions, with recommendations for how to fund such larger scale projects. This list must be developed within existing resources.

Appropriation:

Statewide Broadband Account—State	\$21,550,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$80,000,000
TOTAL	\$101,550,000

**Sec. 1043 was partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 1044. FOR THE DEPARTMENT OF COMMERCE

2019-21 Behavioral Rehabilitation Services Capacity Grants (40000124)

The appropriation in this section is subject to the following conditions and limitations:

(1) Funding provided in this section may be used for the renovation or construction directly associated with behavioral rehabilitation services settings. The funding provided in this section is limited to projects at facilities that are not state-owned, that add capacity to address unmet need, and are maintained as behavioral rehabilitation services capacity available to the state for at least a five-year period.

(2) The department shall consult as needed with the department of children, youth, and families to ensure that, to the maximum extent possible, the use of funding provided in this section facilitates placements that will better accommodate permanency plans including, but not limited to, parent-child visitation.

Appropriation:

State Building Construction Account—State	\$2,000,000
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Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,000,000

NEW SECTION. Sec. 1045. FOR THE DEPARTMENT OF COMMERCE

Housing for the Homeless (91000413)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1011, chapter 2, Laws of 2012 2nd sp. sess.

Reappropriation:

State Taxable Building Construction Account—State.	\$284,000
Prior Biennia (Expenditures)	\$28,660,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$28,944,000

NEW SECTION. Sec. 1046. FOR THE DEPARTMENT OF COMMERCE

Housing for Homeless Veterans (91000455)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1064, chapter 19, Laws of 2013 2nd sp. sess.

Reappropriation:

State Taxable Building Construction Account—State.	\$72,000
Prior Biennia (Expenditures)	\$9,295,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$9,367,000

NEW SECTION. Sec. 1047. FOR THE DEPARTMENT OF COMMERCE

Housing for Farmworkers (91000457)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1065, chapter 19, Laws of 2013 2nd sp. sess.

Reappropriation:

State Taxable Building Construction Account—State.	\$3,178,000
Prior Biennia (Expenditures)	\$23,872,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$27,050,000

NEW SECTION. Sec. 1048. FOR THE DEPARTMENT OF COMMERCE

Housing for People with Developmental Disabilities (91000458)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1066, chapter 19, Laws of 2013 2nd sp. sess.

Reappropriation:

State Taxable Building Construction Account—State	\$88,000
Prior Biennia (Expenditures)	\$8,931,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$9,019,000

NEW SECTION. Sec. 1049. FOR THE DEPARTMENT OF COMMERCE

Clean Energy and Energy Freedom Program (91000582)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1074, chapter 19, Laws of 2013 2nd sp. sess.

Reappropriation:

State Building Construction Account—State	\$1,640,000
Prior Biennia (Expenditures)	\$34,410,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$36,050,000

NEW SECTION. Sec. 1050. FOR THE DEPARTMENT OF COMMERCE

CERB Administered Broadband Infrastructure (91000943)

The reappropriation and appropriation in this section are subject to the following conditions and limitations: The reappropriation and appropriation are subject to the provisions of section 1008, chapter 298, Laws of 2018. The community economic revitalization board may continue to make grants and loans until the end of the 2019-2021 fiscal biennium.

Reappropriation:

State Taxable Building Construction Account—State	\$10,000,000
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Appropriation:

Public Works Assistance Account—State	\$3,450,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$13,450,000

NEW SECTION. Sec. 1051. FOR THE DEPARTMENT OF COMMERCE

2017-19 Stormwater Pilot Project (91001099)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1010, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$50,000
Prior Biennia (Expenditures)	\$200,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$250,000

NEW SECTION. Sec. 1052. FOR THE DEPARTMENT OF COMMERCE

2019 Local and Community Projects (91001157)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1012, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$28,000,000
Prior Biennia (Expenditures)	\$12,569,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$40,569,000

NEW SECTION. Sec. 1053. FOR THE DEPARTMENT OF COMMERCE

Library Capital Improvement Program (91001239)

The appropriation in this section is subject to the following conditions and limitations:

(1) \$12,838,000 is provided solely for a local library capital improvement grant program for the following list of projects:

Asotin County Library Building Phase II	\$923,000
Birch Bay Vogt Community Library	\$2,000,000
La Conner Regional Library	\$720,000
Mount Vernon Library	\$1,000,000
Roslyn Library	\$780,000
Sedro-Woolley Library	\$1,000,000
Silverdale Library	\$1,600,000
Union Gap Library and Community Center	\$2,000,000
Winthrop Library	\$2,000,000
Woodland Community Library	\$515,000
Yale Valley Community Library	\$300,000

(2) The department of commerce must establish a competitive process to solicit proposals for and prioritize projects whose primary objective is to assist libraries operated by governmental units as defined in RCW 27.12.010 in acquiring, constructing, or rehabilitating facilities.

(3) The department of commerce must establish a committee to develop the grant program criteria and review proposals. The committee must be composed of five members as provided in this subsection. The committee must include: (a) A representative from the department of commerce; (b) a representative from the department of archaeology and historic preservation; (c) the state librarian; (d) a representative from a library district; and (e) a representative from a municipal library.

(4) The department of commerce must conduct a statewide solicitation of project applications. The department of commerce must evaluate and rank applications in consultation with the committee established in subsection (3) of this section, using objective criteria. The ranking of projects must prioritize library district facilities listed on a local, state, or federal register of historic places and those located in distressed or rural counties. The evaluation and ranking process must also include an examination of existing assets that applicants propose to apply to projects. Grant assistance under this section may not exceed fifty percent of the total cost of the project. The nonstate portion of

the total project cost may include cash, the value of real property when acquired solely for the purpose of the project, and in-kind contributions.

(5) The department of commerce must submit a prioritized list of recommended projects to the governor and the legislature by October 1, 2020, for inclusion in the department of commerce's 2021-2023 biennial capital budget request. The list must include a description of each project, the amount of recommended state funding, and documentation of nonstate funds to be used for the project. Individual grants may not exceed two million dollars. The total amount of recommended state funding for the projects on a biennial project list must not exceed ten million dollars.

(6) In contracts for grants authorized under this section, the department of commerce must include provisions that require that capital improvements be held by the grantee for a specified period of time appropriate to the amount of the grant and that facilities be used for the express purpose of the grant. If the grantee is found to be out of compliance with provisions of the contract, the grantee must repay to the state general fund the principal amount of the grant plus interest calculated at the rate of interest on state of Washington general obligation bonds issued on the date most close in time to the date of authorization of the grant.

Appropriation:

State Building Construction Account—State	\$12,838,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$40,000,000
TOTAL	\$52,838,000

NEW SECTION. Sec. 1054. FOR THE DEPARTMENT OF COMMERCE

Rapid Response Community Preservation Pilot Program (91001278)

The appropriation in this section is subject to the following conditions and limitations: \$1,000,000 is provided solely for a rapid response manufactured housing community preservation pilot program for the purpose of preserving manufactured and mobile home communities. To implement the program, the department of commerce must contract directly with the northwest cooperative development center—resident owned communities through a rapid contracting process, allowing the contractor to work with residents of one or more mobile home parks to engage in one or more purchase and sale agreements, with the purpose of preserving the mobile home community as a nonprofit, or co-op run affordable housing project and benefitting people and households at or below eighty percent of the area median income. The department of commerce, in collaboration with the contractor, must submit a report to the legislature by June 30, 2021, reporting how the funds were distributed, how many mobile home parks were purchased, and the demographics of the residents.

Appropriation:

State Building Construction Account—State	\$1,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,000,000

NEW SECTION. Sec. 1055. FOR THE DEPARTMENT OF COMMERCE

Central District Community Preservation and Development Authority (91001280)

The appropriation in this section is subject to the following conditions and limitations:

(1) \$250,000 is provided solely for the department of commerce to support the establishment of the central district community preservation and development authority in order to facilitate the transfer of the Seattle vocational institute property located at 2120 South Jackson Street, Seattle, Washington 98144 from the Seattle central college to the authority established in House Bill No. 1918 (community preservation auth.). The department must contract with an entity that is familiar with the project, the community, and the state agencies to organize the central district community preservation and development authority.

(2) \$500,000 is provided solely for the department of commerce to oversee the closure of the Seattle vocational institute for the time period between when the Seattle Central College vacates the property and when the deed of property is transferred to the central district community preservation and development authority pursuant to section 7039 of this act.

(3) If House Bill No. 1918 (community preservation auth.) is not enacted by June 30, 2019, the amounts provided in this section shall lapse.

Appropriation:

State Taxable Building Construction Account—State.	\$750,000
Prior Biennia (Expenditures).	\$0
Future Biennia (Projected Costs).	\$0
TOTAL	\$750,000

NEW SECTION. Sec. 1056. FOR THE DEPARTMENT OF COMMERCE

Dental Capacity Grants (91001306)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for the following list of projects:

Bethel Dental Clinic	\$500,000
Columbia County Dental.	\$250,000
Skagit Valley College WDTEP	\$550,000
Vancouver Dental.	\$175,000

Appropriation:

State Building Construction Account—State	\$1,475,000
Prior Biennia (Expenditures).	\$0
Future Biennia (Projected Costs).	\$0
TOTAL	\$1,475,000

NEW SECTION. Sec. 1057. FOR THE DEPARTMENT OF COMMERCE

Port and Export Related Infrastructure (92000102)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 306, chapter 1, Laws of 2012 2nd sp. sess.

Reappropriation:

State Building Construction Account—State	\$700,000
Prior Biennia (Expenditures)	\$32,450,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$33,150,000

NEW SECTION. Sec. 1058. FOR THE DEPARTMENT OF COMMERCE

Projects for Jobs & Economic Development (92000151)

The reappropriations in this section are subject to the following conditions and limitations:

(1) Except as provided in subsection (2) of this section, the reappropriations are subject to the provisions of section 1077, chapter 19, Laws of 2013 2nd sp. sess.

(2) \$1,000,000 of the reappropriation, not to exceed the amount remaining from the original appropriation, originally for the South Kirkland TOD/Cross Kirkland Corridor, may be used for the pedestrian crossing project at Kirkland Avenue and Lake Street.

Reappropriation:

Public Facility Construction Loan Revolving Account—State	\$3,000,000
State Building Construction Account—State	\$1,000,000
Subtotal Reappropriation	\$4,000,000
Prior Biennia (Expenditures)	\$33,109,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$37,109,000

NEW SECTION. Sec. 1059. FOR THE DEPARTMENT OF COMMERCE

Projects that Strengthen Youth & Families (92000227)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1079, chapter 19, Laws of 2013 2nd sp. sess.

Reappropriation:

State Building Construction Account—State	\$300,000
Prior Biennia (Expenditures)	\$19,377,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$19,677,000

NEW SECTION. Sec. 1060. FOR THE DEPARTMENT OF COMMERCE

Projects that Strengthen Communities & Quality of Life (92000230)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 6006, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

State Building Construction Account—State	\$1,400,000
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Appropriation:

Model Toxics Control Capital Account—State	\$40,000
Prior Biennia (Expenditures)	\$30,688,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$32,128,000

NEW SECTION. Sec. 1061. FOR THE DEPARTMENT OF COMMERCE

Community Behavioral Health Beds - Acute & Residential (92000344)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1007, chapter 35, Laws of 2016 sp. sess.

Reappropriation:

State Building Construction Account—State	\$5,000,000
Prior Biennia (Expenditures)	\$39,399,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$44,399,000

NEW SECTION. Sec. 1062. FOR THE DEPARTMENT OF COMMERCE

Local & Community Projects 2016 (92000369)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 6009 of this act.

Reappropriation:

State Building Construction Account—State	\$21,750,000
Prior Biennia (Expenditures)	\$107,169,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$128,919,000

NEW SECTION. Sec. 1063. FOR THE DEPARTMENT OF COMMERCE

Disaster Emergency Response (92000377)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1009, chapter 35, Laws of 2016 sp. sess.

Reappropriation:

State Building Construction Account—State	\$50,000
Prior Biennia (Expenditures)	\$1,759,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,809,000

NEW SECTION. Sec. 1064. FOR THE DEPARTMENT OF COMMERCE

Behavioral Rehabilitation Services Capacity Grants (92000611)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1015, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$2,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,000,000

NEW SECTION. Sec. 1065. FOR THE DEPARTMENT OF COMMERCE

Landlord Mitigation Account (92000722)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is provided solely for the implementation of Engrossed Substitute Senate Bill No. 5600 (residential tenants). If the bill is not enacted by June 30, 2019, the amounts provided in this section shall lapse.

(2) \$1,000,000 of the appropriation in this section shall be deposited in the landlord mitigation program account.

Appropriation:

State Taxable Building Construction Account—State	\$1,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,000,000

NEW SECTION. Sec. 1066. FOR THE DEPARTMENT OF COMMERCE

Palouse to Cascades Trail Facilitation (92000833)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is provided solely for the department of commerce to contract for facilitation and mediation of ownership, development, and use conflicts along the Palouse to Cascades trail in Adams and Whitman counties. The contractor shall convene a process that will make recommendations to the legislature by January 15, 2020. The parties to the facilitation shall include, but are not limited to: The state parks and recreation commission, the farm bureau, the department of natural resources, recreational trail user groups, local governments adjacent to the trail, and landowners adjacent to the trail.

(2) The recreation and conservation office shall not release funding for the following project on Washington wildlife and recreation program LEAP capital document No. 2019-5H: Palouse to Cascades Connection Malden and Rosalia, until July 1, 2020.

Appropriation:

State Building Construction Account—State	\$150,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$150,000

NEW SECTION. Sec. 1067. FOR THE OFFICE OF FINANCIAL MANAGEMENT

Cowlitz River Dredging (20082856)

Reappropriation:

State Building Construction Account—State	\$800,000
Prior Biennia (Expenditures)	\$700,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,500,000

NEW SECTION. Sec. 1068. FOR THE OFFICE OF FINANCIAL MANAGEMENT

Catastrophic Flood Relief (20084850)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1074, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

State Building Construction Account—State	\$1,653,000
Prior Biennia (Expenditures)	\$86,034,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$87,687,000

NEW SECTION. Sec. 1069. FOR THE OFFICE OF FINANCIAL MANAGEMENT

Oversight of State Facilities (30000039)

Appropriation:

Thurston County Capital Facilities Account—State	\$2,610,000
Prior Biennia (Expenditures)	\$2,458,000
Future Biennia (Projected Costs)	\$10,440,000
TOTAL	\$15,508,000

NEW SECTION. Sec. 1070. FOR THE OFFICE OF FINANCIAL MANAGEMENT

OFM Capital Budget Staff (30000040)

Appropriation:

Thurston County Capital Facilities Account—State	\$1,315,000
Prior Biennia (Expenditures)	\$1,222,000
Future Biennia (Projected Costs)	\$5,260,000
TOTAL	\$7,797,000

NEW SECTION. Sec. 1071. FOR THE OFFICE OF FINANCIAL MANAGEMENT

Emergency Repairs (90000041)

The appropriation in this section is subject to the following conditions and limitations: Emergency repair funding is provided solely to address unexpected building or grounds failures that will impact public health and safety and the day-to-day operations of the facility. To be eligible for funds from the emergency repair pool, a request letter for emergency funding signed by the affected agency director must be submitted to the office of financial management and the appropriate legislative fiscal committees. The request must include a statement describing the health and safety hazard and impacts to facility operations, the possible cause, the proposed scope of emergency repair work and related cost estimate, and identification of other funding that may be applied to the project. For emergencies occurring during a legislative session, an agency must notify

the legislative fiscal committees before requesting emergency funds from the office of financial management. The office of financial management must notify the legislative evaluation and accountability program committee, the house capital budget committee, and the senate ways and means committee as emergency projects are approved for funding.

Appropriation:

State Building Construction Account—State	\$5,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$20,000,000
TOTAL	\$25,000,000

NEW SECTION. Sec. 1072. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

East Plaza - Water Infiltration & Elevator Repairs (30000548)

Reappropriation:

State Building Construction Account—State	\$4,550,000
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Appropriation:

State Building Construction Account—State	\$2,444,000
Prior Biennia (Expenditures)	\$3,778,000
Future Biennia (Projected Costs)	\$14,883,000
TOTAL	\$25,655,000

NEW SECTION. Sec. 1073. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Capitol Lake Long-Term Management Planning (30000740)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1034, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$3,369,000
Prior Biennia (Expenditures)	\$881,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,250,000

NEW SECTION. Sec. 1074. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Transportation Building Preservation (30000777)

Reappropriation:

Capitol Building Construction Account—State	\$3,925,000
Prior Biennia (Expenditures)	\$57,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,982,000

NEW SECTION. Sec. 1075. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Elevator Modernization (30000786)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is provided solely for elevator modernization.

(2) Reappropriation funding is for the following elevator modernizations to be completed:

- (a) Plaza garage, elevator number one; and
- (b) Capitol court building, elevator number one.

(3) Selection of the elevator to modernize with the new appropriation must be prioritized based on safety and security.

Reappropriation:

State Building Construction Account—State	\$1,691,000
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Appropriation:

State Building Construction Account—State	\$1,091,000
Prior Biennia (Expenditures)	\$309,000
Future Biennia (Projected Costs)	\$21,347,000
TOTAL	\$24,438,000

NEW SECTION. Sec. 1076. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Legislative Building Systems Rehabilitation (30000791)

Reappropriation:

Capitol Building Construction Account—State	\$150,000
Prior Biennia (Expenditures)	\$843,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$993,000

NEW SECTION. Sec. 1077. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Campus Physical Security & Safety Improvements (30000812)

The appropriations in this section are subject to the following conditions and limitations:

(1) \$1,508,000 is provided solely for the security improvements of distributed antenna system in the natural resource building, columbia, and department of transportation parking garages.

(2) The reappropriations are subject to the provisions of section 1025, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$1,625,000
Thurston County Capital Facilities Account—State	\$710,000
Subtotal Reappropriation	\$2,335,000

Appropriation:

Capitol Building Construction Account—State	\$1,508,000
Prior Biennia (Expenditures)	\$415,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,258,000

NEW SECTION. Sec. 1078. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Statewide Minor Works - Preservation Projects (30000825)

Reappropriation:

Enterprise Services Account—State	\$207,000
State Building Construction Account—State	\$3,246,000
State Vehicle Parking Account—State	\$79,000
Subtotal Reappropriation	\$3,532,000

Prior Biennia (Expenditures)	\$368,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,900,000

NEW SECTION. Sec. 1079. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Building Envelope Repairs (30000829)

Reappropriation:

Capitol Building Construction Account—State	\$2,537,000
State Building Construction Account—State	\$2,167,000
Subtotal Reappropriation	\$4,704,000
Prior Biennia (Expenditures)	\$518,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,222,000

NEW SECTION. Sec. 1080. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Engineering & Architectural Services: Staffing (30000889)

The appropriations in this section are subject to the following conditions and limitations:

(1) The appropriations in this section are provided solely for architectural and engineering services to manage public works contracting for all state facilities pursuant to RCW 43.19.450.

(2) At the end of each fiscal year, the department must report to the office of financial management and the fiscal committees of the legislature on performance, including the following:

(a) The number of projects managed by each manager compared to previous biennia;

(b) Projects that were not completed on schedule and the reasons for the delays; and

(c) The number and cost of the change orders and the reason for each change order.

(3) At least twice per year, the department shall convene a group of private sector architects, contractors, and state agency facilities personnel to share, at a minimum, information on high performance methods, ideas, operating and maintenance issues, and cost. The facilities personnel must be from the community and technical colleges, the four-year institutions of higher education, and any other state agencies that have recently completed a new building or are currently in the construction phase.

(4) The final buy clean Washington pilot report required in section 1030, chapter 298, Laws of 2018, must be provided by June 30, 2021.

Appropriation:

State Building Construction Account—State	\$14,000,000
Thurston County Capital Facilities Account—State	\$4,000,000
Subtotal Appropriation	\$18,000,000
Prior Biennia (Expenditures)	\$14,000,000
Future Biennia (Projected Costs)	\$62,454,000
TOTAL	\$94,454,000

NEW SECTION. Sec. 1081. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Capitol Childcare Center (40000030)

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are provided solely for designing and constructing a new child care center at the IBM site on the capitol campus. The new child care center shall have a minimum of seventy-five to one hundred slots for children.

Appropriation:

State Building Construction Account—State	\$7,023,000
Capitol Building Construction Account—State	\$3,000,000
Subtotal Appropriation	\$10,023,000
Prior Biennia (Expenditures)	\$250,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$10,273,000

***NEW SECTION. Sec. 1082. FOR THE DEPARTMENT OF ENTERPRISE SERVICES**

Roof Replacement - Cherberg and Insurance Buildings (40000032)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is provided solely for roof replacement of the Cherberg building and the insurance building.

(2) Roof replacement and construction for the Cherberg building must be completed prior to roof replacement and construction for the insurance building.

(3) Architectural and engineering design documents that were worked on in the 2017-2019 biennium for at least the Cherberg building roof must be submitted to the legislative fiscal committees by July 31, 2019.

(4) A schedule for the Cherberg building roof construction must be submitted to the legislative fiscal committees by August 31, 2019.

Reappropriation:

State Building Construction Account—State	\$2,299,000
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Appropriation:

State Building Construction Account—State	\$1,798,000
Prior Biennia (Expenditures)	\$101,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,198,000

**Sec. 1082 was partially vetoed. See message at end of chapter.*

***NEW SECTION. Sec. 1083. FOR THE DEPARTMENT OF ENTERPRISE SERVICES**

Legislative Building Exterior Preservation Cleaning (40000033)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The reappropriation in this section is provided solely for exterior preservation cleaning and repair of the legislative building.

(2) Repair work must be completed on at least the:

(a) Stonework and tuck pointing;

(b) Plaza skylights;

(c) Replacement of the balustrade on the plaza level;

(d) Skylight over the north vestibule;

- (e) Failed drain at the north vestibule;
- (f) Colonnade windows;
- (g) Bronze doors, to include restoration;
- (h) Metal roofing repairs and waterproofing;
- (i) Minor roof repairs and waterproofing; and
- (j) Interior finishes due to water damage.

Reappropriation:

State Building Construction Account—State	\$1,947,000
Prior Biennia (Expenditures)	\$1,453,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,400,000

*Sec. 1083 was partially vetoed. See message at end of chapter.

NEW SECTION. Sec. 1084. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

2019-21 Statewide Minor Works - Preservation Projects (40000082)

Appropriation:

Capitol Building Construction Account—State	\$108,000
Enterprise Services Account—State	\$731,000
State Building Construction Account—State	\$846,000
Thurston County Capital Facilities Account—State	\$665,000
Subtotal Appropriation	\$2,350,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$10,864,000
TOTAL	\$13,214,000

NEW SECTION. Sec. 1085. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

2019-21 Statewide Minor Works - Programmatic Projects (40000141)

Appropriation:

State Building Construction Account—State	\$496,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$4,289,000
TOTAL	\$4,785,000

NEW SECTION. Sec. 1086. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Campus-Wide Electrical Service Panels - Arc Flash Study (40000151)

The appropriations in this section are subject to the following conditions and limitations:

(1) The appropriations in this section are provided solely for a campus-wide ARC flash hazard analysis study to assess safety risks and improve worker safety.

(2) Funding must be used to at least conduct a full on-site evaluation, evaluate the need for specialized personal protective equipment requirements, identify electrical repairs from the electrical service entry panels to the subpanels for code and safety compliance, and identify panel labeling deficiencies and solutions, fiscal costs, and recommendations to resolve safety risks.

(3) The department must submit a preliminary status report to the legislative fiscal committees by December 31, 2019, on at least:

- (a) The estimated duration of the study, and when it will begin and end;

- (b) How many staff will be trained, and by when; and
- (c) How much the personal protective equipment costs per person that was identified as necessary, and how many staff need this equipment.

(4) The study is due to the legislative fiscal committees by November 30, 2020.

Appropriation:

Thurston County Capital Facilities Account—State	\$740,000
State Building Construction Account—State	\$260,000
Subtotal Appropriation	\$1,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,000,000

NEW SECTION. Sec. 1087. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

SEEP: EVSE at State Facilities (40000161)

Appropriation:

Thurston County Capital Facilities Account—State	\$500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$500,000

NEW SECTION. Sec. 1088. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Conservatory Demolition (91000442)

Reappropriation:

Thurston County Capital Facilities Account—State	\$579,000
Prior Biennia (Expenditures)	\$71,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$650,000

NEW SECTION. Sec. 1089. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Capital Campus Utility Renewal Plan (92000012)

Reappropriation:

State Building Construction Account—State	\$516,000
Prior Biennia (Expenditures)	\$1,820,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,336,000

NEW SECTION. Sec. 1090. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Newhouse Replacement (92000020)

Reappropriation:

State Building Construction Account—State	\$256,000
Prior Biennia (Expenditures)	\$194,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$450,000

***NEW SECTION. Sec. 1091. FOR THE DEPARTMENT OF ENTERPRISE SERVICES**

Legislative Building Cleaning (92000028)

The appropriations in this section are subject to the following conditions and limitations:

(1) The appropriations in this section are provided solely for exterior preservation cleaning and repair of one of the legislative buildings listed in subsection (3) of this section each biennium.

(2) Repair work must be completed on at least the:

(a) Stonework;

(b) Tuck pointing;

(c) Skylights;

(d) Windows;

(e) Minor roof repairs and waterproofing; and

(f) Interior finishes due to water damage.

(3) The legislative buildings referenced in subsection (1) of this section include only:

(a) The legislative building;

(b) The temple of justice;

(c) The John A. Cherberg building;

(d) The John L. O'Brien building;

(e) The insurance building;

(f) The Irv Newhouse building; and

(g) The Pritchard building.

(4) The funding provided in the 2019-2021 biennium must be used for the insurance building.

Appropriation:

State Building Construction Account—State \$1,500,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$6,000,000

TOTAL \$7,500,000

**Sec. 1091 was partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 1092. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Insurance Commissioner Office Building Predesign (92000029)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for a predesign study to determine space needs and cost estimates to construct a building on the capitol campus to house the office of the insurance commissioner.

(1) In determining the program space required, the predesign must consider:

(a) The necessary program space required to support the office of the insurance commissioner, to include detail on current space usage by facility compared to proposed space usage; and

(b) Parking impacts of new office space construction.

(2) The study must consider, at a minimum:

(a) The potential to fund design and construction of the building from sources other than state general obligation bonds;

(b) The financial cost analysis of current facility leases compared to the cost of a financial contract for the new building, to include operating budget cost impacts by fund source by fiscal year; and

(c) The following opportunity sites for the building, detailed in the 2017 state capitol development site study:

- (i) Site 1, the general administration building;
- (ii) Site 12, the professional arts building;
- (iii) Site 7, the old IBM building; and
- (iv) Site 6B, the visitor center;

(3) The building must be a:

(a) High performance building and meet net-zero-ready standards, with an energy use intensity of no greater than thirty-five;

(b) Building construction that must be procured using a performance-based method such as design-build and must include an energy performance guarantee comparing actual performance data with the energy design target; and

(c) Design that includes cross-laminated timber products.

(4) The predesign study must result in:

(a) A preliminary report being submitted to the fiscal committees of the legislature by February 28, 2020; and

(b) A final report being submitted to the fiscal committees of the legislature by June 30, 2020.

Appropriation:

Insurance Commissioners Regulatory Account—State	\$300,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$300,000

NEW SECTION. Sec. 1093. FOR THE MILITARY DEPARTMENT

King County Area Readiness Center (30000592)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely to acquire land in King county for a readiness center. If the department has not signed a purchase and sale agreement by June 30, 2021, the amounts provided in this section shall lapse.

Appropriation:

State Building Construction Account—State	\$6,600,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$83,900,000
TOTAL	\$90,500,000

NEW SECTION. Sec. 1094. FOR THE MILITARY DEPARTMENT

Thurston County Readiness Center (30000594)

Reappropriation:

General Fund—Federal	\$28,881,000
Military Department Capital Account—State	\$427,000
State Building Construction Account—State	\$7,978,000
Subtotal Reappropriation	\$37,286,000
Prior Biennia (Expenditures)	\$10,666,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$47,952,000

NEW SECTION. Sec. 1095. FOR THE MILITARY DEPARTMENT

Tri-Cities Readiness Center (30000808)

Reappropriation:

General Fund—Federal \$499,000

Appropriation:

General Fund—Federal \$11,400,000

State Building Construction Account—State \$3,800,000

Subtotal Appropriation \$15,200,000

Prior Biennia (Expenditures) \$2,201,000

Future Biennia (Projected Costs) \$0

TOTAL \$17,900,000

NEW SECTION. Sec. 1096. FOR THE MILITARY DEPARTMENT

Minor Works Preservation 2017-19 Biennium (30000811)

Reappropriation:

General Fund—Federal \$2,071,000

Military Department Capital Account—State \$51,000

State Building Construction Account—State \$1,385,000

Subtotal Reappropriation \$3,507,000

Prior Biennia (Expenditures) \$2,298,000

Future Biennia (Projected Costs) \$0

TOTAL \$5,805,000

NEW SECTION. Sec. 1097. FOR THE MILITARY DEPARTMENT

Minor Works Program 2017-19 Biennium (30000812)

Reappropriation:

General Fund—Federal \$20,395,000

Military Department Capital Account—State \$75,000

State Building Construction Account—State \$1,814,000

Subtotal Reappropriation \$22,284,000

Prior Biennia (Expenditures) \$2,413,000

Future Biennia (Projected Costs) \$0

TOTAL \$24,697,000

NEW SECTION. Sec. 1098. FOR THE MILITARY DEPARTMENT

Centralia Readiness Center (30000818)

Reappropriation:

General Fund—Federal \$2,289,000

State Building Construction Account—State \$2,287,000

Subtotal Reappropriation \$4,576,000

Appropriation:

General Fund—Federal \$2,000,000

Prior Biennia (Expenditures) \$174,000

Future Biennia (Projected Costs) \$0

TOTAL \$6,750,000

NEW SECTION. Sec. 1099. FOR THE MILITARY DEPARTMENT

Kent Readiness Center (30000917)

Appropriation:

General Fund—Federal \$4,150,000

State Building Construction Account—State \$380,000

Subtotal Appropriation \$4,530,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$4,530,000

NEW SECTION. Sec. 1100. FOR THE MILITARY DEPARTMENT

Anacortes Readiness Center Major Renovation (40000004)

The appropriations in this section are subject to the following conditions and limitations: \$150,000 is provided solely for a redesign.

Appropriation:

Military Department Capital Account—State	\$75,000
State Building Construction Account—State	\$75,000
Subtotal Appropriation	\$150,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$150,000

NEW SECTION. Sec. 1101. FOR THE MILITARY DEPARTMENT

Minor Works Preservation 2019-21 Biennium (40000036)

Appropriation:

General Fund—Federal	\$5,224,000
State Building Construction Account—State	\$2,756,000
Subtotal Appropriation	\$7,980,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$7,980,000

NEW SECTION. Sec. 1102. FOR THE MILITARY DEPARTMENT

Minor Works Program 2019-21 Biennium (40000037)

Appropriation:

General Fund—Federal	\$21,630,000
Military Department Capital Account—State	\$109,000
State Building Construction Account—State	\$2,259,000
Subtotal Appropriation	\$23,998,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$23,998,000

NEW SECTION. Sec. 1103. FOR THE MILITARY DEPARTMENT

Camp Murray Soldiers Memorial Park (40000062)

Appropriation:

Military Department Capital Account—State	\$600,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$600,000

NEW SECTION. Sec. 1104. FOR THE MILITARY DEPARTMENT

Stryker Canopies Kent Site (40000073)

Appropriation:

General Fund—Federal	\$3,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,000,000

NEW SECTION. Sec. 1105. FOR THE MILITARY DEPARTMENT

Stryker Canopies Bremerton Site (40000077)

Appropriation:

General Fund—Federal	\$1,500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,500,000

NEW SECTION. Sec. 1106. FOR THE MILITARY DEPARTMENT

Montesano Field Maintenance Shop (FMS) Addition (40000095)

Appropriation:

General Fund—Federal	\$3,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,000,000

NEW SECTION. Sec. 1107. FOR THE MILITARY DEPARTMENT

Joint Base Lewis-McChord (JBLM) 3106 Helicopter Port (40000100)

Appropriation:

General Fund—Federal	\$2,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,000,000

NEW SECTION. Sec. 1108. FOR THE MILITARY DEPARTMENT

Air Support Operations Group (ASOG) Complex (40000163)

Appropriation:

General Fund—Federal	\$4,766,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$27,622,000
TOTAL	\$32,388,000

NEW SECTION. Sec. 1109. FOR THE MILITARY DEPARTMENT

Mission Support Group/Logistics/Communications (MSG-Comm) Facility (40000167)

Appropriation:

General Fund—Federal	\$2,114,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$31,284,000
TOTAL	\$33,398,000

NEW SECTION. Sec. 1110. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

Historic Cemetery Grant Program (30000021)

Reappropriation:

State Building Construction Account—State	\$444,000
Prior Biennia (Expenditures)	\$56,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$500,000

NEW SECTION. Sec. 1111. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

Rehabilitation of Beverly Bridge (30000022)

The appropriation in this section is subject to the following conditions and limitations:

(1) Upon the completion of the rehabilitation of the Beverly bridge, the state parks and recreation commission, the department of natural resources, and the department of archaeology and historic preservation must enter into a memorandum of agreement which includes, but is not limited to: (a) A requirement for the payment of fees for conveyance of electrical utilities across the bridge; (b) certification of the safety for vehicular use of the bridge; (c) use of the bridge by motorized emergency vehicles; (d) a plan for authorization of motorized use of the bridge by workers of orchards within a one mile radius of the bridge; and (e) a traffic management system to avoid conflicts among recreational users of the trail and permitted vehicular use.

(2) The department of archaeology and historic preservation must work with the state parks and recreation commission to ensure that archaeological and cultural resources are protected during rehabilitation and future use of the bridge, and may use fencing to restrict access to culturally sensitive areas.

Appropriation:

General Fund—Private/Local	\$429,000
State Building Construction Account—State	\$5,146,000
Subtotal Appropriation	\$5,575,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,575,000

NEW SECTION. Sec. 1112. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

2019-21 Historic County Courthouse Grants Program (30000023)

The appropriation in this section is provided solely for the following list of projects:

Columbia	\$122,000
Benton	\$34,000
Lewis	\$120,000
Klickitat	\$304,000
Clark	\$39,000
Jefferson	\$300,000
Spokane	\$200,000

Appropriation:

State Building Construction Account—State	\$1,119,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$5,600,000
TOTAL	\$6,719,000

NEW SECTION. Sec. 1113. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

2019-21 Heritage Barn Preservation Program (30000024)

Appropriation:

State Building Construction Account—State	\$515,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$2,060,000
TOTAL	\$2,575,000

NEW SECTION. Sec. 1114. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

2019-21 Historic Cemetery Grant Program (40000001)

Appropriation:

State Building Construction Account—State	\$515,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$2,060,000
TOTAL	\$2,575,000

NEW SECTION. Sec. 1115. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

Ebey's National Historic Reserve (40000003)

The appropriation in this section is subject to the following conditions and limitations: The department must prioritize public facilities projects that provide the greatest public benefit by preserving properties that are historically significant and serve the greatest number of people.

Appropriation:

State Building Construction Account—State	\$1,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,000,000

NEW SECTION. Sec. 1116. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

Heritage Barn Preservation Program 2017-19 (92000010)

Reappropriation:

State Building Construction Account—State	\$515,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$515,000

NEW SECTION. Sec. 1117. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

Historic County Courthouse Grants Program 2017-19 (92000011)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1057, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$1,116,000
Prior Biennia (Expenditures)	\$21,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,137,000

PART 2

HUMAN SERVICES

NEW SECTION. Sec. 2001. FOR THE CRIMINAL JUSTICE TRAINING COMMISSION

Omnibus Minor Works (40000003)

Appropriation:

State Building Construction Account—State	\$470,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$470,000

NEW SECTION. Sec. 2002. FOR THE DEPARTMENT OF LABOR AND INDUSTRIES

L&I HQ Elevators (30000018)

Reappropriation:

Accident Account—State	\$342,000
Medical Aid Account—State	\$342,000
Subtotal Reappropriation	\$684,000

Appropriation:

Accident Account—State	\$1,450,000
Medical Aid Account—State	\$1,450,000
Subtotal Appropriation	\$2,900,000
Prior Biennia (Expenditures)	\$350,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,934,000

NEW SECTION. Sec. 2003. FOR THE DEPARTMENT OF LABOR AND INDUSTRIES

Cooling System Replacement (30000019)

Appropriation:

Accident Account—State	\$1,283,000
Medical Aid Account—State	\$1,283,000
Subtotal Appropriation	\$2,566,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,566,000

NEW SECTION. Sec. 2004. FOR THE DEPARTMENT OF LABOR AND INDUSTRIES

Minor Works Preservation Projects (30000035)

Appropriation:

Accident Account—State	\$1,244,000
Medical Aid Account—State	\$1,239,000
Subtotal Appropriation	\$2,483,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$8,558,000
TOTAL	\$11,041,000

NEW SECTION. Sec. 2005. FOR THE DEPARTMENT OF LABOR AND INDUSTRIES

Modernize Lab and Training Facility (30000043)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is provided solely for design and construction of a new lab and training facility.

(2) The new facility must be shared between the department of labor and industries and the department of agriculture.

(3) The facility must be at least 53,000 gross square feet.

(4) The new facility must include labs for both the department of labor and industries and the department of agriculture.

Appropriation:

Accident Account—State	\$45,223,000
Medical Aid Account—State	\$7,980,000
Subtotal Appropriation	\$53,203,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$53,203,000

NEW SECTION. Sec. 2006. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital New Kitchen and Commissary Building (20081319)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 2003, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$18,000,000
Prior Biennia (Expenditures)	\$12,190,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$30,190,000

NEW SECTION. Sec. 2007. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Special Commitment Center: Kitchen & Dining Room Upgrades (20081506)

Reappropriation:

State Building Construction Account—State	\$950,000
Prior Biennia (Expenditures)	\$50,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,000,000

NEW SECTION. Sec. 2008. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Fircrest School-Back-Up Power & Electrical Feeders (30000415)

Reappropriation:

State Building Construction Account—State	\$3,700,000
Prior Biennia (Expenditures)	\$1,500,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,200,000

NEW SECTION. Sec. 2009. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Eastern State Hospital: New Boiler Plant (30000468)

Reappropriation:

State Building Construction Account—State	\$387,000
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Appropriation:

State Building Construction Account—State	\$12,764,000
Prior Biennia (Expenditures)	\$178,000
Future Biennia (Projected Costs)	\$0

TOTAL \$13,329,000

NEW SECTION. Sec. 2010. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Minor Works Program Projects: Statewide (30001859)

Reappropriation:

State Building Construction Account—State \$600,000
Prior Biennia (Expenditures) \$855,000
Future Biennia (Projected Costs) \$0
TOTAL \$1,455,000

NEW SECTION. Sec. 2011. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Minor Works Preservation Projects: Statewide (30002235)

Reappropriation:

State Building Construction Account—State \$10,494,000
Prior Biennia (Expenditures) \$16,191,000
Future Biennia (Projected Costs) \$0
TOTAL \$26,685,000

NEW SECTION. Sec. 2012. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Lakeland Village: Code Required Campus Infrastructure Upgrades (30002238)

Reappropriation:

Charitable, Educational, Penal, and Reformatory Institutions Account—State \$2,425,000
State Building Construction Account—State \$2,339,000
Subtotal Reappropriation \$4,764,000

Appropriation:

State Building Construction Account—State \$5,000,000
Prior Biennia (Expenditures) \$236,000
Future Biennia (Projected Costs) \$0
TOTAL \$10,000,000

NEW SECTION. Sec. 2013. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital-South Hall: Building Systems Replacement (30002735)

Reappropriation:

Charitable, Educational, Penal, and Reformatory Institutions Account—State \$2,294,000
Prior Biennia (Expenditures) \$2,156,000
Future Biennia (Projected Costs) \$0
TOTAL \$4,450,000

NEW SECTION. Sec. 2014. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Eastern State Hospital-Westlake: New HVAC DDC Controls (30002759)

Reappropriation:

State Building Construction Account—State \$2,400,000
Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$0

TOTAL \$2,400,000

NEW SECTION. Sec. 2015. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital-Forensic Services: Two Wards Addition (30002765)

Reappropriation:

State Building Construction Account—State \$329,000

Appropriation:

State Building Construction Account—State \$28,700,000

Prior Biennia (Expenditures) \$1,471,000

Future Biennia (Projected Costs) \$0

TOTAL \$30,500,000

NEW SECTION. Sec. 2016. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

DOC/DSHS McNeil Island-Infrastructure: Repairs & Upgrades (30003211)

Appropriation:

State Building Construction Account—State \$1,270,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$1,270,000

NEW SECTION. Sec. 2017. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

DOC/DSHS McNeil Island-Infrastructure: Water System Replacement (30003213)

Reappropriation:

State Building Construction Account—State \$2,000,000

Prior Biennia (Expenditures) \$508,000

Future Biennia (Projected Costs) \$0

TOTAL \$2,508,000

NEW SECTION. Sec. 2018. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital-East Campus: Wards Preservation & Renewal (30003241)

Reappropriation:

State Building Construction Account—State \$1,050,000

Prior Biennia (Expenditures) \$550,000

Future Biennia (Projected Costs) \$0

TOTAL \$1,600,000

NEW SECTION. Sec. 2019. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital-East Campus: Building Systems Replacement (30003244)

Reappropriation:

State Building Construction Account—State \$2,488,000

Prior Biennia (Expenditures) \$912,000

Future Biennia (Projected Costs) \$0

TOTAL \$3,400,000

NEW SECTION. Sec. 2020. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Child Study and Treatment Center: CLIP Capacity (30003324)

Reappropriation:

State Building Construction Account—State	\$11,700,000
Prior Biennia (Expenditures)	\$1,244,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$12,944,000

NEW SECTION. Sec. 2021. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Special Commitment Center-King County SCTF: Expansion (30003564)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 2010, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$2,550,000
Prior Biennia (Expenditures)	\$60,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,610,000

NEW SECTION. Sec. 2022. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

State Psychiatric Hospitals: Compliance with Federal Requirements (30003569)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 2015, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$1,650,000
Prior Biennia (Expenditures)	\$350,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,000,000

NEW SECTION. Sec. 2023. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital: Master Plan Update (30003571)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 2016, chapter 2, Laws of 2018.

Reappropriation:

Charitable, Educational, Penal, and Reformatory Institutions Account—State	\$200,000
Prior Biennia (Expenditures)	\$200,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$400,000

NEW SECTION. Sec. 2024. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Yakima Valley School-Multiple Buildings: Safety Improvements (30003573)

Reappropriation:

State Building Construction Account—State \$350,000

Appropriation:

State Building Construction Account—State \$1,375,000

Prior Biennia (Expenditures) \$150,000

Future Biennia (Projected Costs) \$0

TOTAL \$1,875,000

NEW SECTION. Sec. 2025. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Special Commitment Center-Community Facilities: New Capacity (30003577)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 2027, chapter 2, Laws of 2018.

Reappropriation:

Charitable, Educational, Penal, and Reformatory

Institutions Account—State \$399,000

Prior Biennia (Expenditures) \$101,000

Future Biennia (Projected Costs) \$16,000,000

TOTAL \$16,500,000

NEW SECTION. Sec. 2026. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital-East Campus: New Security Fence (30003578)

Reappropriation:

State Building Construction Account—State \$1,600,000

Prior Biennia (Expenditures) \$120,000

Future Biennia (Projected Costs) \$0

TOTAL \$1,720,000

NEW SECTION. Sec. 2027. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital-Multiple Buildings: Fire Suppression (30003579)

Reappropriation:

State Building Construction Account—State \$950,000

Prior Biennia (Expenditures) \$50,000

Future Biennia (Projected Costs) \$0

TOTAL \$1,000,000

NEW SECTION. Sec. 2028. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital-Multiple Buildings: Elevator Modernization (30003582)

Appropriation:

State Building Construction Account—State \$5,100,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$1,275,000

TOTAL \$6,375,000

NEW SECTION. Sec. 2029. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital-Multiple Buildings: Windows Security (30003585)

Reappropriation:

State Building Construction Account—State \$2,500,000

Prior Biennia (Expenditures) \$50,000

Future Biennia (Projected Costs) \$0

TOTAL \$2,550,000

NEW SECTION. Sec. 2030. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Fircrest School: Campus Master Plan & Rezone (30003601)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 2012, chapter 298, Laws of 2018.

Reappropriation:

Charitable, Educational, Penal, and Reformatory

Institutions Account—State \$143,000

Prior Biennia (Expenditures) \$57,000

Future Biennia (Projected Costs) \$0

TOTAL \$200,000

NEW SECTION. Sec. 2031. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital-Forensic Services: Roofing Replacement (30003603)

Reappropriation:

State Building Construction Account—State \$955,000

Prior Biennia (Expenditures) \$1,000,000

Future Biennia (Projected Costs) \$0

TOTAL \$1,955,000

NEW SECTION. Sec. 2032. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Eastern State Hospital-Emergency Electrical System: Upgrades (30003616)

Reappropriation:

State Building Construction Account—State \$1,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$1,000,000

NEW SECTION. Sec. 2033. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Behavioral Health: Compliance with Systems Improvement Agreement (30003849)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 6008, chapter 4, Laws of 2017, 3rd sp. sess.

Reappropriation:

State Building Construction Account—State	\$3,616,000
Prior Biennia (Expenditures)	\$5,284,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$8,900,000

NEW SECTION. Sec. 2034. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital-Building 28: Treatment & Recovery Center (40000024)

Reappropriation:

State Building Construction Account—State	\$467,000
Prior Biennia (Expenditures)	\$133,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$600,000

NEW SECTION. Sec. 2035. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital: Wards Renovations for Forensic Services (40000026)

Reappropriation:

State Building Construction Account—State	\$10,246,000
Prior Biennia (Expenditures)	\$314,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$10,560,000

NEW SECTION. Sec. 2036. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital: Renovations for Treatment Recovery Center (40000029)

Reappropriation:

State Building Construction Account—State	\$277,000
Prior Biennia (Expenditures)	\$123,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$400,000

NEW SECTION. Sec. 2037. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Minor Works Preservation Projects: Statewide 2019-21 (40000381)

Appropriation:

Charitable, Educational, Penal, and Reformatory Institutions Account—State		\$1,665,000
State Building Construction Account—State		\$11,015,000
Subtotal Appropriation		\$12,680,000
Prior Biennia (Expenditures)		\$0
Future Biennia (Projected Costs)		\$159,345,000
TOTAL		\$172,025,000

NEW SECTION. Sec. 2038. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Minor Works Program Projects: Statewide 2019-21 (40000382)

Appropriation:

Charitable, Educational, Penal, and Reformatory

Institutions Account—State	\$955,000
State Building Construction Account—State	\$965,000
Subtotal Appropriation	\$1,920,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$24,000,000
TOTAL	\$25,920,000

NEW SECTION. Sec. 2039. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

DSHS & DCYF Fire Alarms (91000066)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is provided solely for projects installing fire alarms at the following locations: (a) Fircrest School; (b) Lakeland Village; (c) Western State Hospital; (d) Rainier School; and (e) Echo Glen. The Echo Glen project may include duress alarms. The projects listed in this section must be designed under one contract, and installed under one contract. The department must consult with the department of children, youth, and families to prioritize the projects.

(2) When the bid is received, the department must report to the appropriate legislative committees the overall bid for the projects.

(3) The department must report to the appropriate legislative committees any best practices on the process by December 31, 2019.

Appropriation:

State Building Construction Account—State	\$11,819,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$11,819,000

NEW SECTION. Sec. 2040. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital: New Forensic Hospital (91000067)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is provided solely for a predesign for a new forensic hospital on the existing campus. The appropriation provided may be used for predesign and siting costs.

(2)(a) The predesign must consider between two hundred fifty and three hundred fifty forensic beds.

(b) In order to determine the needed capacity at the new forensic hospital, the department must take into consideration the projected forensic demand and statewide capacity. The capacity must account for the continued use of buildings 27, 28, and 29 for forensic patients and civil patients with complex behavioral needs and prior forensic involvement, as well as the capacity at eastern state hospital. To determine the necessary capacity for the new forensic hospital, the predesign must plan the space for forensic admissions and restoration purposes.

(3) The department must submit the predesign to the appropriate legislative committees by September 1, 2020.

Appropriation:

State Building Construction Account—State	\$1,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$257,500,000
TOTAL	\$258,500,000

NEW SECTION. Sec. 2041. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Eastern State Hospital Elevators (91000068)

Appropriation:

Charitable, Educational, Penal, and Reformatory

Institutions Account—State	\$2,700,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,700,000

NEW SECTION. Sec. 2042. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital-Multiple Buildings: Fire Doors Replacement (40000392)

Appropriation:

State Building Construction Account—State	\$5,100,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,100,000

NEW SECTION. Sec. 2043. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Eastern State Hospital-Eastlake & Westlake: Fire & Smoke Controls (40000404)

Appropriation:

State Building Construction Account—State	\$2,050,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,050,000

NEW SECTION. Sec. 2044. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Eastern State Hospital-Westlake: Fire Stops (40000405)

Appropriation:

State Building Construction Account—State	\$2,130,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,130,000

NEW SECTION. Sec. 2045. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Special Commitment Center-Fire House: Electrical Upgrades (40000422)

Appropriation:

State Building Construction Account—State	\$1,535,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,535,000

NEW SECTION. Sec. 2046. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Eastern State Hospital-EL & WL: HVAC Compliance & Monitoring (40000492)

Appropriation:

State Building Construction Account—State	\$1,915,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,915,000

NEW SECTION. Sec. 2047. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

ESH and WSH-All Wards: Patient Safety Improvements (91000019)

Reappropriation:

Charitable, Educational, Penal, and Reformatory Institutions Account—State	\$2,900,000
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Appropriation:

State Building Construction Account—State	\$8,800,000
Prior Biennia (Expenditures)	\$6,969,000
Future Biennia (Projected Costs)	\$20,000,000
TOTAL	\$38,669,000

NEW SECTION. Sec. 2048. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Eastern State Hospital Forensic Ward (91000050)

Reappropriation:

State Building Construction Account—State	\$2,500,000
Prior Biennia (Expenditures)	\$500,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,000,000

NEW SECTION. Sec. 2049. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Eastern State Hospital: Additional Forensic Ward (91000062)

Reappropriation:

State Building Construction Account—State	\$3,000,000
Prior Biennia (Expenditures)	\$500,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,500,000

NEW SECTION. Sec. 2050. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital & CSTC Power Upgrade (91000070)

Appropriation:

State Building Construction Account—State	\$2,300,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,300,000

NEW SECTION. Sec. 2051. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

BH: State Owned, Mixed Use Community Civil 48-Bed Capacity (91000074)

Appropriation:

State Building Construction Account—State	\$350,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$350,000

NEW SECTION. Sec. 2052. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

BH: State Operated Community Civil 16-Bed Capacity (91000075)

Appropriation:

State Building Construction Account—State	\$5,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$15,190,000
TOTAL	\$20,190,000

NEW SECTION. Sec. 2053. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Eastern State Hospital Flooring (91000076)

Appropriation:

State Building Construction Account—State	\$400,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$400,000

NEW SECTION. Sec. 2054. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

BH: State Owned, Mixed Use Community Civil 48-Bed Capacity (91000077)

The appropriation in this section is subject to the following conditions and limitations:

- (1) The appropriation is provided solely for predesign, design, siting, site work, and preliminary construction for a new forty-eight bed behavioral health facility that is not subject to federal funding restrictions that apply to institutions of mental diseases.
- (2) The facility must be provided as follows: At least forty-eight beds, of which sixteen beds are for a state-operated civil commitment program and the remaining beds for private providers for community behavioral health services, including long-term civil commitments.
- (3) The department must submit a preliminary predesign to the appropriate legislative committees by December 31, 2019.

Appropriation:

State Building Construction Account—State	\$20,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$30,500,000
TOTAL	\$50,500,000

NEW SECTION. Sec. 2055. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Rainier School-Pats E,C Cottage Cooling Upgrades (91000078)

Appropriation:

State Building Construction Account—State	\$8,000,000
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Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$8,000,000

NEW SECTION. Sec. 2056. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital Treatment & Recovery Center (91000080)

Appropriation:

State Building Construction Account—State	\$8,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$6,000,000
TOTAL	\$14,000,000

NEW SECTION. Sec. 2057. FOR THE DEPARTMENT OF HEALTH

Newborn Screening Wing Addition (30000301)

Reappropriation:

State Building Construction Account—State	\$2,805,000
Prior Biennia (Expenditures)	\$2,829,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,634,000

NEW SECTION. Sec. 2058. FOR THE DEPARTMENT OF HEALTH

Drinking Water Preconstruction Loans (30000334)

Reappropriation:

Drinking Water Assistance Account—State	\$5,450,000
Prior Biennia (Expenditures)	\$550,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$6,000,000

NEW SECTION. Sec. 2059. FOR THE DEPARTMENT OF HEALTH

Drinking Water Assistance Program (30000336)

Reappropriation:

Drinking Water Assistance Account—Federal	\$125,000
Prior Biennia (Expenditures)	\$31,875,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$32,000,000

NEW SECTION. Sec. 2060. FOR THE DEPARTMENT OF HEALTH

Public Health Lab South Laboratory Addition (30000379)

Appropriation:

State Building Construction Account—State	\$196,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$27,229,000
TOTAL	\$27,425,000

NEW SECTION. Sec. 2061. FOR THE DEPARTMENT OF HEALTH

New Central Boiler Plant (30000381)

Appropriation:

State Building Construction Account—State	\$558,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$7,065,000
TOTAL	\$7,623,000

NEW SECTION. Sec. 2062. FOR THE DEPARTMENT OF HEALTH

Drinking Water Construction Loans (30000409)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 2034, chapter 2, Laws of 2018.

Reappropriation:

Drinking Water Assistance Account—State	\$55,000,000
Prior Biennia (Expenditures)	\$63,000,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$118,000,000

NEW SECTION. Sec. 2063. FOR THE DEPARTMENT OF HEALTH
Drinking Water System Repairs and Consolidation (40000006)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 2035, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$5,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,000,000

NEW SECTION. Sec. 2064. FOR THE DEPARTMENT OF HEALTH
Othello Water Supply and Storage (40000008)

Reappropriation:

State Building Construction Account—State	\$1,550,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,550,000

NEW SECTION. Sec. 2065. FOR THE DEPARTMENT OF HEALTH
Minor Works - Preservation (40000011)

Appropriation:

State Building Construction Account—State	\$279,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$279,000

NEW SECTION. Sec. 2066. FOR THE DEPARTMENT OF HEALTH
Minor Works - Program (40000012)

Appropriation:

State Building Construction Account—State	\$417,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$417,000

NEW SECTION. Sec. 2067. FOR THE DEPARTMENT OF HEALTH
2019-21 Drinking Water Assistance Program (40000025)

Appropriation:

Drinking Water Assistance Account—Federal	\$35,000,000
Prior Biennia (Expenditures)	\$0

Future Biennia (Projected Costs)	\$128,000,000
TOTAL	\$163,000,000

NEW SECTION, Sec. 2068. FOR THE DEPARTMENT OF HEALTH
 2019-21 Drinking Water System Repairs and Consolidation (40000027)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for grants to well-managed, publicly-owned group A water utilities for the repair and consolidation of group A and B water systems under the following conditions:

(1) A grant may be provided when a water system has been voluntarily transferred to a publicly owned water utility within the last three years. The grant may be used for repair and consolidation costs.

(2) The grant applicant must provide the department of health with an accounting of rehabilitation costs and the value of the system. The grant must be used primarily to cover project design and construction costs, and only in limited cases to cover the cost of system acquisitions, as determined by the department of health in evaluating grant applications.

(3) Grants must primarily be used to cover project construction costs that customers benefiting from the project cannot afford to repay through loans, as determined by the department of health and the publicly owned utility receiving the grant to complete the project.

(4) Applicants must provide a plan demonstrating that project completion will occur within three years of the grant contract execution.

(5) Each grant must be less than twenty-five percent of the total appropriation.

(6) The primary purpose of this appropriation is to fund water system repair and consolidation construction costs. However, the department may use up to \$75,000 under this section for grants for feasibility review of water system repair and consolidation projects that would meet the objectives of this section and RCW 70.119A.190.

Appropriation:

State Building Construction Account—State	\$1,500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$40,000,000
TOTAL	\$41,500,000

NEW SECTION, Sec. 2069. FOR THE DEPARTMENT OF HEALTH
 2019-21 Drinking Water Construction Loans - State Match (40000029)

The appropriation in this section is subject to the following conditions and limitations:

(1) For projects involving repair, replacement, or improvement of a clean water infrastructure facility or other public works facility for which an investment grade efficiency audit is reasonably obtainable, the department of health must require as a contract condition that the project sponsor undertake an investment grade efficiency audit. The project sponsor may finance the costs of the audit as part of its drinking water state revolving fund program loan.

(2) The department must encourage local government use of federally funded drinking water infrastructure programs operated by the United States department of agriculture rural development.

Appropriation:

Drinking Water Assistance Account—State	\$11,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$40,000,000
TOTAL	\$51,000,000

NEW SECTION. Sec. 2070. FOR THE DEPARTMENT OF HEALTH

Drinking Water Assistance Program 2017-19 (92000025)

Reappropriation:

Drinking Water Assistance Account—Federal	\$32,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$32,000,000

NEW SECTION. Sec. 2071. FOR THE DEPARTMENT OF

VETERANS AFFAIRS

Washington Veterans Home: Bldg 6 & 7 Demo and Grounds Improvement (30000002)

Appropriation:

State Building Construction Account—State	\$3,335,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,335,000

NEW SECTION. Sec. 2072. FOR THE DEPARTMENT OF

VETERANS AFFAIRS

Minor Works Facilities Preservation (30000094)

Reappropriation:

State Building Construction Account—State	\$570,000
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Appropriation:

State Building Construction Account—State	\$2,025,000
Prior Biennia (Expenditures)	\$2,743,000
Future Biennia (Projected Costs)	\$11,445,000
TOTAL	\$16,783,000

NEW SECTION. Sec. 2073. FOR THE DEPARTMENT OF

VETERANS AFFAIRS

Minor Works Program (30000131)

Appropriation:

State Building Construction Account—State	\$500,000
Prior Biennia (Expenditures)	\$670,000
Future Biennia (Projected Costs)	\$6,380,000
TOTAL	\$7,550,000

NEW SECTION. Sec. 2074. FOR THE DEPARTMENT OF

VETERANS AFFAIRS

WSVC - Additional Internment Vaults and Roadway (30000215)

Reappropriation:

General Fund—Federal	\$2,700,000
State Building Construction Account—State	\$300,000
Subtotal Reappropriation	\$3,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0

TOTAL \$3,000,000

NEW SECTION. Sec. 2075. FOR THE DEPARTMENT OF VETERANS AFFAIRS

Retsil Building 10 (40000004)

Reappropriation:

State Building Construction Account—State \$625,000
Prior Biennia (Expenditures) \$125,000
Future Biennia (Projected Costs) \$0
TOTAL \$750,000

NEW SECTION. Sec. 2076. FOR THE DEPARTMENT OF VETERANS AFFAIRS

WVH HVAC Retrofit (40000006)

Appropriation:

State Building Construction Account—State \$750,000
Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$0
TOTAL \$750,000

NEW SECTION. Sec. 2077. FOR THE DEPARTMENT OF VETERANS AFFAIRS

WSH Cemetery Road Realignment (91000012)

Appropriation:

State Building Construction Account—State \$200,000
Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$0
TOTAL \$200,000

NEW SECTION. Sec. 2078. FOR THE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES

Echo Glen-Housing Unit: Acute Mental Health Unit (30002736)

The appropriation in this section is subject to the following conditions and limitations: This project was formerly administered by the department of social and health services. Due to the transfer of the juvenile rehabilitation program from the department of social and health services to the department of children, youth, and families on July 1, 2019, the administration of this project shall also transfer to the department of children, youth, and families on that date.

Appropriation:

State Building Construction Account—State \$9,600,000
Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$0
TOTAL \$9,600,000

NEW SECTION. Sec. 2079. FOR THE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES

Statewide-RA Community Facilities: Safety & Security Improvements (30002737)

The appropriation in this section is subject to the following conditions and limitations: This project was formerly administered by the department of social and health services. Due to the transfer of the juvenile rehabilitation program

from the department of social and health services to the department of children, youth, and families on July 1, 2019, the administration of this project shall also transfer to the department of children, youth, and families on that date.

Appropriation:

State Building Construction Account—State	\$300,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$300,000

NEW SECTION. Sec. 2080. FOR THE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES

Green Hill School-Recreation Building: Replacement (30003237)

The appropriation in this section is subject to the following conditions and limitations: This project was formerly administered by the department of social and health services. Due to the transfer of the juvenile rehabilitation program from the department of social and health services to the department of children, youth, and families on July 1, 2019, the administration of this project shall also transfer to the department of children, youth, and families on that date.

Appropriation:

State Building Construction Account—State	\$800,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$800,000

NEW SECTION. Sec. 2081. FOR THE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES

Echo Glen Children's Center: Academic School (30003242)

Appropriation:

State Building Construction Account—State	\$200,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$37,976,000
TOTAL	\$38,176,000

NEW SECTION. Sec. 2082. FOR THE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES

Green Hill School-Campus: Security & Surveillance Upgrades (30003580)

The appropriation in this section is subject to the following conditions and limitations: This project was formerly administered by the department of social and health services. Due to the transfer of the juvenile rehabilitation program from the department of social and health services to the department of children, youth, and families on July 1, 2019, the administration of this project shall also transfer to the department of children, youth, and families on that date.

Appropriation:

State Building Construction Account—State	\$500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$500,000

NEW SECTION. Sec. 2083. FOR THE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES

Minor Works Preservation Projects: Statewide 2019-21 (40000400)

Appropriation:

State Building Construction Account—State	\$3,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$54,110,000
TOTAL	\$57,110,000

NEW SECTION. Sec. 2084. FOR THE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES

Implementation of JRA Capacity (91000062)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for a predesign for Echo Glen, a predesign for Green Hill, and a comprehensive strategic capital master plan. If Engrossed Second Substitute House Bill No. 1646 is not enacted by June 30, 2019, the appropriation in this section shall lapse.

Appropriation:

State Building Construction Account—State	\$750,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$750,000

NEW SECTION. Sec. 2085. FOR THE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES

Benton-Franklin Juvenile Justice Center At-Risk Youth Services (92000033)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the final design and construction of an at-risk youth services center in Kennewick, Washington. The department must contract with Benton and Franklin counties to carry out this project.

Appropriation:

State Building Construction Account—State	\$750,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$750,000

NEW SECTION. Sec. 2086. FOR THE DEPARTMENT OF CORRECTIONS

CBCC: Boiler Replacement (30000130)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 2025, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$830,000
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Appropriation:

State Building Construction Account—State	\$9,718,000
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Prior Biennia (Expenditures)	\$170,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$10,718,000

NEW SECTION. Sec. 2087. FOR THE DEPARTMENT OF CORRECTIONS

Washington Corrections Center: Transformers and Switches (30000143)

Reappropriation:

State Building Construction Account—State	\$3,300,000
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Appropriation:

State Building Construction Account—State	\$16,435,000
Prior Biennia (Expenditures)	\$850,000
Future Biennia (Projected Costs)	\$22,685,000
TOTAL	\$43,270,000

NEW SECTION. Sec. 2088. FOR THE DEPARTMENT OF CORRECTIONS

WCC: Replace Roofs (30000654)

Reappropriation:

State Building Construction Account—State	\$675,000
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Appropriation:

State Building Construction Account—State	\$4,540,000
Prior Biennia (Expenditures)	\$1,595,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$6,810,000

NEW SECTION. Sec. 2089. FOR THE DEPARTMENT OF CORRECTIONS

CBCC: Replace Fire Alarm System (30000748)

Reappropriation:

State Building Construction Account—State	\$180,000
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Appropriation:

State Building Construction Account—State	\$5,284,000
Prior Biennia (Expenditures)	\$175,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,639,000

NEW SECTION. Sec. 2090. FOR THE DEPARTMENT OF CORRECTIONS

CBCC: Security Video System (30000800)

Reappropriation:

State Building Construction Account—State	\$2,300,000
Prior Biennia (Expenditures)	\$3,738,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$6,038,000

NEW SECTION. Sec. 2091. FOR THE DEPARTMENT OF CORRECTIONS

WCCW: Bldg E Roof Replacement (30000810)

Reappropriation:

State Building Construction Account—State	\$1,674,000
Prior Biennia (Expenditures)	\$1,022,000
Future Biennia (Projected Costs)	\$0

TOTAL \$2,696,000

NEW SECTION. Sec. 2092. FOR THE DEPARTMENT OF CORRECTIONS

MCC Security Video Camera Installation (30001066)

Appropriation:

Charitable, Educational, Penal, and Reformatory Institutions Account—State	\$1,000,000
State Building Construction Account—State	\$4,500,000
Subtotal Appropriation	\$5,500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$5,500,000
TOTAL	\$11,000,000

NEW SECTION. Sec. 2093. FOR THE DEPARTMENT OF CORRECTIONS

WSP: Program and Support Building (30001101)

Reappropriation:

State Building Construction Account—State	\$1,500,000
Prior Biennia (Expenditures)	\$10,085,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$11,585,000

NEW SECTION. Sec. 2094. FOR THE DEPARTMENT OF CORRECTIONS

Prison Capacity Expansion (30001105)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 2059, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

State Building Construction Account—State	\$400,000
Prior Biennia (Expenditures)	\$4,400,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,800,000

NEW SECTION. Sec. 2095. FOR THE DEPARTMENT OF CORRECTIONS

Minor Works - Preservation Projects (30001114)

Reappropriation:

State Building Construction Account—State	\$900,000
Prior Biennia (Expenditures)	\$10,009,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$10,909,000

NEW SECTION. Sec. 2096. FOR THE DEPARTMENT OF CORRECTIONS

MCC ADA Compliance Retrofit (30001118)

Reappropriation:

State Building Construction Account—State	\$750,000
Prior Biennia (Expenditures)	\$250,000
Future Biennia (Projected Costs)	\$0

TOTAL \$1,000,000

NEW SECTION. Sec. 2097. FOR THE DEPARTMENT OF CORRECTIONS

SW IMU Recreation Yard Improvement (30001123)

Reappropriation:

State Building Construction Account—State	\$1,000,000
Prior Biennia (Expenditures)	\$500,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,500,000

NEW SECTION. Sec. 2098. FOR THE DEPARTMENT OF CORRECTIONS

CRCC Security Electronics Network Renovation (30001124)

Reappropriation:

State Building Construction Account—State	\$5,900,000
Prior Biennia (Expenditures)	\$100,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$6,000,000

NEW SECTION. Sec. 2099. FOR THE DEPARTMENT OF CORRECTIONS

MLCC: 128 Bed Minimum Camp (30001168)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The reappropriation is subject to the provisions of section 2053, chapter 2, Laws of 2018.

(2) These funds are reappropriated for the renovation of Maple Lane corrections center for use as a 128-bed minimum facility for women offenders. The renovation and subsequent use shall occur subject only to reasonable local permitting and mitigation requirements, and shall not be subject to any further siting or use process.

Reappropriation:

Charitable, Educational, Penal, and Reformatory Institutions Account—State	\$1,780,000
State Building Construction Account—State	\$1,900,000
Subtotal Reappropriation	\$3,680,000
Prior Biennia (Expenditures)	\$661,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,341,000

NEW SECTION. Sec. 2100. FOR THE DEPARTMENT OF CORRECTIONS

WCC: Reclaimed Water Line (40000058)

Appropriation:

State Building Construction Account—State	\$1,987,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,987,000

NEW SECTION. Sec. 2101. FOR THE DEPARTMENT OF CORRECTIONS

AHCC: Reclaimed Water (40000059)

Appropriation:

State Building Construction Account—State	\$1,943,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,943,000

NEW SECTION. Sec. 2102. FOR THE DEPARTMENT OF CORRECTIONS

WCCW: Security Fence at MSC for New Medium Capacity (40000173)

Appropriation:

State Building Construction Account—State	\$1,500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,500,000

NEW SECTION. Sec. 2103. FOR THE DEPARTMENT OF CORRECTIONS

MCC: Sewer System HABU (Highest and Best Use) (40000185)

The appropriation in this section is subject to the following conditions and limitations: \$800,000 is provided solely for the pumping of biosolids from the sewer lagoon.

Appropriation:

State Building Construction Account—State	\$800,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$800,000

NEW SECTION. Sec. 2104. FOR THE DEPARTMENT OF CORRECTIONS

Minor Works - Preservation Projects (40000187)

Appropriation:

State Building Construction Account—State	\$11,668,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$73,965,000
TOTAL	\$85,633,000

NEW SECTION. Sec. 2105. FOR THE DEPARTMENT OF CORRECTIONS

WSP: BAR Unit Door Conversions (91000431)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely to implement the settlement agreement in *Disability Rights Washington v. Inslee, et. al.*, U.S. District Court-Western District, Case No. 18-5071, for the portions of the agreement that require modifications to existing booth-controlled cell door mechanisms in one treatment unit in the Washington State Penitentiary. If the settlement agreement is not fully executed and approved by the court before September 1, 2019, the appropriation in this section shall lapse.

Appropriation:

State Building Construction Account—State	\$1,250,000
Prior Biennia (Expenditures)	\$0

Future Biennia (Projected Costs).....	\$0
TOTAL	\$1,250,000

NEW SECTION. Sec. 2106. FOR THE DEPARTMENT OF CORRECTIONS

WSP: Unit Six Roof Replacement (92000037)

Appropriation:

State Building Construction Account—State	\$1,425,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL	\$1,425,000

NEW SECTION. Sec. 2107. FOR THE DEPARTMENT OF CORRECTIONS

WCCW: AC for MSU (92000039)

Appropriation:

State Building Construction Account—State	\$1,349,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL	\$1,349,000

PART 3

NATURAL RESOURCES

NEW SECTION. Sec. 3001. FOR THE DEPARTMENT OF ECOLOGY

Water Supply Facilities (19742006)

Reappropriation:

State and Local Improvements Revolving Account (Water Supply Facilities)—State	\$295,000
Prior Biennia (Expenditures).....	\$15,116,000
Future Biennia (Projected Costs).....	\$0
TOTAL	\$15,411,000

NEW SECTION. Sec. 3002. FOR THE DEPARTMENT OF ECOLOGY

Low-Level Nuclear Waste Disposal Trench Closure (19972012)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3002, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

Site Closure Account—State.....	\$8,505,000
Prior Biennia (Expenditures).....	\$6,928,000
Future Biennia (Projected Costs).....	\$0
TOTAL	\$15,433,000

NEW SECTION. Sec. 3003. FOR THE DEPARTMENT OF ECOLOGY

Twin Lake Aquifer Recharge Project (20042951)

Reappropriation:

State Building Construction Account—State	\$156,000
Prior Biennia (Expenditures).....	\$594,000

Future Biennia (Projected Costs).....	\$0
TOTAL	\$750,000

NEW SECTION. Sec. 3004. FOR THE DEPARTMENT OF ECOLOGY

Columbia River Basin Water Right Mitigation (20052852)

Reappropriation:

State Building Construction Account—State	\$116,000
Prior Biennia (Expenditures).....	\$1,484,000
Future Biennia (Projected Costs).....	\$0
TOTAL	\$1,600,000

NEW SECTION. Sec. 3005. FOR THE DEPARTMENT OF ECOLOGY

Columbia River Basin Water Supply Development Program (20062950)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3008, chapter 49, Laws of 2011 1st sp. sess.

Reappropriation:

Columbia River Basin Water Supply Development	
Account—State	\$2,076,000
Prior Biennia (Expenditures).....	\$89,424,000
Future Biennia (Projected Costs).....	\$0
TOTAL	\$91,500,000

NEW SECTION. Sec. 3006. FOR THE DEPARTMENT OF ECOLOGY

Transfer of Water Rights for Cabin Owners (20081951)

Reappropriation:

State Building Construction Account—State	
.....	\$69,000
Prior Biennia (Expenditures).....	\$381,000
Future Biennia (Projected Costs).....	\$0
TOTAL	\$450,000

NEW SECTION. Sec. 3007. FOR THE DEPARTMENT OF ECOLOGY

Watershed Plan Implementation and Flow Achievement (30000028)

Reappropriation:

State Building Construction Account—State	
.....	\$275,000
Prior Biennia (Expenditures).....	\$5,721,000
Future Biennia (Projected Costs).....	\$0
TOTAL	\$5,996,000

NEW SECTION. Sec. 3008. FOR THE DEPARTMENT OF ECOLOGY

Remedial Action Grant Program (30000039)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is subject to the provisions of section 3006, chapter 36, Laws of 2010 1st sp. sess.

Appropriation:

Model Toxics Control Capital Account—State	\$3,813,000
Prior Biennia (Expenditures)	\$71,296,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$75,109,000

NEW SECTION. Sec. 3009. FOR THE DEPARTMENT OF ECOLOGY

Clean Up Toxics Sites - Puget Sound (30000144)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is subject to the provisions of section 3021, chapter 48, Laws of 2011 1st sp. sess. and section 3002, chapter 35, Laws of 2016 sp. sess.

Appropriation:

Model Toxics Control Capital Account—State	\$324,000
Prior Biennia (Expenditures)	\$38,710,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$39,034,000

NEW SECTION. Sec. 3010. FOR THE DEPARTMENT OF ECOLOGY

Watershed Plan Implementation and Flow Achievement (30000213)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3030, chapter 49, Laws of 2011 1st sp. sess.

Reappropriation:

State Building Construction Account—State	\$432,000
Prior Biennia (Expenditures)	\$7,568,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$8,000,000

NEW SECTION. Sec. 3011. FOR THE DEPARTMENT OF ECOLOGY

Remedial Action Grant Program (30000216)

Appropriation:

Model Toxics Control Capital Account—State	\$19,152,000
Prior Biennia (Expenditures)	\$43,712,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$62,864,000

NEW SECTION. Sec. 3012. FOR THE DEPARTMENT OF ECOLOGY

Clean Up Toxics Sites - Puget Sound (30000265)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is subject to the provisions of section 3005, chapter 35, Laws of 2016 sp. sess.

Appropriation:

Model Toxics Control Capital Account—State	\$161,000
Prior Biennia (Expenditures)	\$15,041,000

Future Biennia (Projected Costs)	\$0
TOTAL	\$15,202,000

NEW SECTION. Sec. 3013. FOR THE DEPARTMENT OF ECOLOGY

Yakima Basin Integrated Water Management Plan Implementation (30000278)

Reappropriation:

State Building Construction Account—State	\$52,000
Prior Biennia (Expenditures)	\$1,827,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,879,000

NEW SECTION. Sec. 3014. FOR THE DEPARTMENT OF ECOLOGY

ASARCO - Tacoma Smelter Plume and Mines (30000280)

Reappropriation:

Cleanup Settlement Account—State	\$2,855,000
Prior Biennia (Expenditures)	\$17,792,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$20,647,000

NEW SECTION. Sec. 3015. FOR THE DEPARTMENT OF ECOLOGY

Padilla Bay Federal Capital Projects (30000282)

Reappropriation:

General Fund—Federal	\$553,000
Prior Biennia (Expenditures)	\$247,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$800,000

NEW SECTION. Sec. 3016. FOR THE DEPARTMENT OF ECOLOGY

Centennial Clean Water Program (30000326)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is subject to the provisions of section 3066, chapter 19, Laws of 2013 2nd sp. sess.

Appropriation:

Model Toxics Control Capital Account—State	\$3,526,000
Prior Biennia (Expenditures)	\$46,474,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$50,000,000

NEW SECTION. Sec. 3017. FOR THE DEPARTMENT OF ECOLOGY

Coastal Wetlands Federal Funds (30000328)

Reappropriation:

General Fund—Federal	\$5,180,000
Prior Biennia (Expenditures)	\$4,620,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$9,800,000

NEW SECTION. Sec. 3018. FOR THE DEPARTMENT OF ECOLOGY

Watershed Plan Implementation and Flow Achievement (30000331)

Reappropriation:

State Building Construction Account—State	\$2,956,000
Prior Biennia (Expenditures)	\$7,044,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$10,000,000

NEW SECTION. Sec. 3019. FOR THE DEPARTMENT OF ECOLOGY

Dungeness Water Supply & Mitigation (30000333)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3082, chapter 19, Laws of 2013 2nd sp. sess.

Reappropriation:

State Building Construction Account—State	\$924,000
Prior Biennia (Expenditures)	\$1,126,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,050,000

NEW SECTION. Sec. 3020. FOR THE DEPARTMENT OF ECOLOGY

ASARCO Cleanup (30000334)

The reappropriation in this section is subject to the following conditions and limitations: \$400,000 of the reappropriation is provided solely for the city of Tacoma to reimburse for clean up and remediation of the former Ruston Way tunnel, including costs that occurred prior to June 30, 2019.

Reappropriation:

Cleanup Settlement Account—State	\$2,095,000
Prior Biennia (Expenditures)	\$34,565,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$36,660,000

NEW SECTION. Sec. 3021. FOR THE DEPARTMENT OF ECOLOGY

Padilla Bay Federal Capital Projects - Programmatic (30000335)

Reappropriation:

General Fund—Federal	\$500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$500,000

NEW SECTION. Sec. 3022. FOR THE DEPARTMENT OF ECOLOGY

Clean Up Toxics Sites - Puget Sound (30000337)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is subject to the provisions of section 3007, chapter 35, Laws of 2016 sp. sess.

Appropriation:

Model Toxics Control Capital Account—State	\$1,940,000
Prior Biennia (Expenditures)	\$23,115,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$25,055,000

NEW SECTION. Sec. 3023. FOR THE DEPARTMENT OF ECOLOGY

Eastern Washington Clean Sites Initiative (30000351)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is subject to the provisions of section 3008, chapter 35, Laws of 2016 sp. sess.

Appropriation:

Model Toxics Control Capital Account—State	\$169,000
Prior Biennia (Expenditures)	\$7,431,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$7,600,000

NEW SECTION. Sec. 3024. FOR THE DEPARTMENT OF ECOLOGY

Columbia River Water Supply Development Program (30000372)

Reappropriation:

Columbia River Basin Taxable Bond Water Supply Development Account—State	\$45,000
Columbia River Basin Water Supply Development Account—State	\$514,000
Subtotal Reappropriation	\$559,000
Prior Biennia (Expenditures)	\$73,941,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$74,500,000

NEW SECTION. Sec. 3025. FOR THE DEPARTMENT OF ECOLOGY

Yakima River Basin Water Supply (30000373)

Reappropriation:

State Building Construction Account—State	\$926,000
Prior Biennia (Expenditures)	\$31,174,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$32,100,000

NEW SECTION. Sec. 3026. FOR THE DEPARTMENT OF ECOLOGY

Remedial Action Grants (30000374)

Appropriation:

Model Toxics Control Capital Account—State	\$10,710,000
Prior Biennia (Expenditures)	\$51,827,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$62,537,000

NEW SECTION. Sec. 3027. FOR THE DEPARTMENT OF ECOLOGY

Water Irrigation Efficiencies Program (30000389)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3080, chapter 19, Laws of 2013 2nd sp. sess.

Reappropriation:

State Building Construction Account—State	\$23,000
Prior Biennia (Expenditures)	\$3,977,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,000,000

NEW SECTION. Sec. 3028. FOR THE DEPARTMENT OF ECOLOGY

Centennial Clean Water Program (30000427)

The reappropriations and appropriations in this section are subject to the following conditions and limitations: The reappropriations and appropriations are subject to the provisions of section 3009, chapter 35, Laws of 2016 sp. sess.

Reappropriation:

State Building Construction Account—State	\$1,171,000
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Appropriation:

Model Toxics Control Capital Account—State	\$3,436,000
Prior Biennia (Expenditures)	\$17,893,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$22,500,000

NEW SECTION. Sec. 3029. FOR THE DEPARTMENT OF ECOLOGY

Waste Tire Pile Cleanup and Prevention (30000431)

Reappropriation:

Waste Tire Removal Account—State	\$200,000
Prior Biennia (Expenditures)	\$800,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,000,000

NEW SECTION. Sec. 3030. FOR THE DEPARTMENT OF ECOLOGY

Eastern Washington Clean Sites Initiative (30000432)

Appropriation:

Model Toxics Control Capital Account—State	\$8,908,000
Prior Biennia (Expenditures)	\$992,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$9,900,000

NEW SECTION. Sec. 3031. FOR THE DEPARTMENT OF ECOLOGY

Remedial Action Grants (30000458)

The reappropriations and appropriations in this section are subject to the following conditions and limitations: The reappropriations and appropriations are subject to the provisions of section 3011, chapter 35, Laws of 2016 sp. sess.

Reappropriation:

State Building Construction Account—State \$16,967,000

Appropriation:

Model Toxics Control Capital Account—State \$15,786,000

Prior Biennia (Expenditures) \$19,994,000

Future Biennia (Projected Costs) \$0

TOTAL \$52,747,000

NEW SECTION. Sec. 3032. FOR THE DEPARTMENT OF ECOLOGY

Leaking Tank Model Remedies (30000490)

Appropriation:

Model Toxics Control Capital Account—State \$672,000

Prior Biennia (Expenditures) \$1,328,000

Future Biennia (Projected Costs) \$0

TOTAL \$2,000,000

NEW SECTION. Sec. 3033. FOR THE DEPARTMENT OF ECOLOGY

Water Pollution Control Revolving Program (30000534)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3061, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

Water Pollution Control Revolving Account—

Federal \$18,711,000

Water Pollution Control Revolving Account—State \$118,465,000

Subtotal Reappropriation \$137,176,000

Prior Biennia (Expenditures) \$65,824,000

Future Biennia (Projected Costs) \$0

TOTAL \$203,000,000

NEW SECTION. Sec. 3034. FOR THE DEPARTMENT OF ECOLOGY

Stormwater Financial Assistance Program (30000535)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is subject to the provisions of section 3012, chapter 35, Laws of 2016 sp. sess.

Appropriation:

Model Toxics Control Stormwater Account—State \$27,816,000

Prior Biennia (Expenditures) \$3,384,000

Future Biennia (Projected Costs) \$0

TOTAL \$31,200,000

NEW SECTION. Sec. 3035. FOR THE DEPARTMENT OF ECOLOGY

Coastal Wetlands Federal Funds (30000536)

Reappropriation:

General Fund—Federal \$10,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs).....	\$0
TOTAL	\$10,000,000

NEW SECTION. Sec. 3036. FOR THE DEPARTMENT OF ECOLOGY

Floodplains by Design (30000537)

Reappropriation:

State Building Construction Account—State	\$19,149,000
Prior Biennia (Expenditures).....	\$16,411,000
Future Biennia (Projected Costs).....	\$0
TOTAL	\$35,560,000

NEW SECTION. Sec. 3037. FOR THE DEPARTMENT OF ECOLOGY

ASARCO Cleanup (30000538)

Reappropriation:

Cleanup Settlement Account—State	\$3,669,000
Prior Biennia (Expenditures).....	\$8,477,000
Future Biennia (Projected Costs).....	\$0
TOTAL	\$12,146,000

NEW SECTION. Sec. 3038. FOR THE DEPARTMENT OF ECOLOGY

Cleanup Toxics Sites - Puget Sound (30000542)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is subject to the provisions of section 3013, chapter 35, Laws of 2016 sp. sess.

Appropriation:

Model Toxics Control Capital Account—State	\$7,917,000
Prior Biennia (Expenditures).....	\$6,464,000
Future Biennia (Projected Costs).....	\$0
TOTAL	\$14,381,000

NEW SECTION. Sec. 3039. FOR THE DEPARTMENT OF ECOLOGY

Water Irrigation Efficiencies Program (30000587)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3067, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

State Building Construction Account—State	\$3,286,000
Prior Biennia (Expenditures).....	\$714,000
Future Biennia (Projected Costs).....	\$0
TOTAL	\$4,000,000

NEW SECTION. Sec. 3040. FOR THE DEPARTMENT OF ECOLOGY

Columbia River Water Supply Development Program (30000588)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3068, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

Columbia River Basin Water Supply Development	
Account—State	\$1,317,000
Columbia River Basin Water Supply Revenue	
Recovery Account—State	\$2,082,000
Subtotal Reappropriation	\$3,399,000
Prior Biennia (Expenditures)	\$15,601,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$19,000,000

NEW SECTION. Sec. 3041. FOR THE DEPARTMENT OF ECOLOGY

Sunnyside Valley Irrigation District Water Conservation (30000589)

Reappropriation:

State Building Construction Account—State	\$1,655,000
Prior Biennia (Expenditures)	\$1,400,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,055,000

NEW SECTION. Sec. 3042. FOR THE DEPARTMENT OF ECOLOGY

Yakima River Basin Water Supply (30000590)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3070, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

State Building Construction Account—State	\$3,954,000
State Taxable Building Construction Account—	
State	\$4,079,000
Subtotal Reappropriation	\$8,033,000
Prior Biennia (Expenditures)	\$21,967,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$30,000,000

NEW SECTION. Sec. 3043. FOR THE DEPARTMENT OF ECOLOGY

Watershed Plan Implementation and Flow Achievement (30000591)

Reappropriation:

State Building Construction Account—State	\$2,040,000
Prior Biennia (Expenditures)	\$2,960,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,000,000

NEW SECTION. Sec. 3044. FOR THE DEPARTMENT OF ECOLOGY

ASARCO Cleanup (30000670)

Reappropriation:

Cleanup Settlement Account—State	\$23,926,000
Prior Biennia (Expenditures)	\$4,834,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$28,760,000

NEW SECTION. Sec. 3045. FOR THE DEPARTMENT OF ECOLOGY

Reducing Toxic Diesel Emissions (30000671)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3004, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$389,000
Prior Biennia (Expenditures)	\$111,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$500,000

NEW SECTION. Sec. 3046. FOR THE DEPARTMENT OF ECOLOGY

Waste Tire Pile Cleanup and Prevention (30000672)

Reappropriation:

Waste Tire Removal Account—State	\$655,000
Prior Biennia (Expenditures)	\$345,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,000,000

NEW SECTION. Sec. 3047. FOR THE DEPARTMENT OF ECOLOGY

Sunnyside Valley Irrigation District Water Conservation (30000673)

Reappropriation:

State Building Construction Account—State	\$3,178,000
Prior Biennia (Expenditures)	\$1,506,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,684,000

NEW SECTION. Sec. 3048. FOR THE DEPARTMENT OF ECOLOGY

Reducing Toxic Woodstove Emissions (30000674)

Reappropriation:

State Building Construction Account—State	\$1,528,000
Prior Biennia (Expenditures)	\$472,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,000,000

NEW SECTION. Sec. 3049. FOR THE DEPARTMENT OF ECOLOGY

2015-17 Restored Eastern Washington Clean Sites Initiative (30000704)

Reappropriation:

State Building Construction Account—State	\$2,403,000
Prior Biennia (Expenditures)	\$33,000
Future Biennia (Projected Costs)	\$0

TOTAL \$2,436,000

NEW SECTION. Sec. 3050. FOR THE DEPARTMENT OF ECOLOGY

2017-19 Centennial Clean Water Program (30000705)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3009, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$33,976,000
Prior Biennia (Expenditures)	\$1,024,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$35,000,000

NEW SECTION. Sec. 3051. FOR THE DEPARTMENT OF ECOLOGY

Floodplains by Design 2017-19 (30000706)

Reappropriation:

State Building Construction Account—State	\$35,054,000
Prior Biennia (Expenditures)	\$410,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$35,464,000

NEW SECTION. Sec. 3052. FOR THE DEPARTMENT OF ECOLOGY

2017-19 Remedial Action Grants (30000707)

Appropriation:

Model Toxics Control Capital Account—State	\$5,877,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,877,000

NEW SECTION. Sec. 3053. FOR THE DEPARTMENT OF ECOLOGY

Swift Creek Natural Asbestos Flood Control and Cleanup (30000708)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3011, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$3,000,000
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Appropriation:

State Building Construction Account—State	\$2,400,000
Future Biennia (Projected Costs)	\$10,700,000
Prior Biennia (Expenditures)	\$1,000,000
TOTAL	\$17,100,000

NEW SECTION. Sec. 3054. FOR THE DEPARTMENT OF ECOLOGY

Water Pollution Control Revolving Program (30000710)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3013, chapter 2, Laws of 2018.

Reappropriation:

Water Pollution Control Revolving Account—	
Federal	\$50,000,000
Water Pollution Control Revolving Account—State	\$160,000,000
Subtotal Reappropriation	\$210,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$210,000,000

NEW SECTION. Sec. 3055. FOR THE DEPARTMENT OF ECOLOGY

Yakima River Basin Water Supply (30000711)

Reappropriation:

State Building Construction Account—State	\$15,497,000
Prior Biennia (Expenditures)	\$15,603,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$31,100,000

NEW SECTION. Sec. 3056. FOR THE DEPARTMENT OF ECOLOGY

Columbia River Water Supply Development Program (30000712)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3006, chapter 298, Laws of 2018.

Reappropriation:

Columbia River Basin Water Supply Development	
Account—State	\$12,203,000
Columbia River Basin Water Supply Revenue	
Recovery Account—State	\$2,000,000
State Building Construction Account—State	\$19,541,000
Subtotal Reappropriation	\$33,744,000
Prior Biennia (Expenditures)	\$56,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$33,800,000

NEW SECTION. Sec. 3057. FOR THE DEPARTMENT OF ECOLOGY

Lacey Headquarters Facility Preservation Projects (30000713)

Reappropriation:

State Building Construction Account—State	\$601,000
Prior Biennia (Expenditures)	\$34,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$635,000

NEW SECTION. Sec. 3058. FOR THE DEPARTMENT OF ECOLOGY

Watershed Plan Implementation and Flow Achievement (30000714)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3017, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$4,898,000
Prior Biennia (Expenditures)	\$102,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,000,000

NEW SECTION. Sec. 3059. FOR THE DEPARTMENT OF ECOLOGY

Water Irrigation Efficiencies Program (30000740)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3007, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$5,784,000
Prior Biennia (Expenditures)	\$716,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$6,500,000

NEW SECTION. Sec. 3060. FOR THE DEPARTMENT OF ECOLOGY

Eastern Regional Office Improvements and Stormwater Treatment (30000741)

Reappropriation:

State Building Construction Account—State	\$1,410,000
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Appropriation:

State Building Construction Account—State	\$1,966,000
Prior Biennia (Expenditures)	\$510,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,886,000

NEW SECTION. Sec. 3061. FOR THE DEPARTMENT OF ECOLOGY

2017-19 Eastern Washington Clean Sites Initiative (30000742)

Appropriation:

Model Toxics Control Capital Account—State	\$1,740,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,740,000

NEW SECTION. Sec. 3062. FOR THE DEPARTMENT OF ECOLOGY

2017-19 Clean Up Toxic Sites - Puget Sound (30000749)

Appropriation:

Model Toxics Control Capital Account—State	\$2,099,000
Prior Biennia (Expenditures)	\$83,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,182,000

NEW SECTION. Sec. 3063. FOR THE DEPARTMENT OF ECOLOGY

2015-17 Restored Clean Up Toxics Sites - Puget Sound (30000763)

Reappropriation:

State Building Construction Account—State	\$5,098,000
Prior Biennia (Expenditures)	\$142,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,240,000

NEW SECTION. Sec. 3064. FOR THE DEPARTMENT OF ECOLOGY

2017-19 Stormwater Financial Assistance Program (30000796)

The reappropriations and appropriations in this section are subject to the following conditions and limitations: The reappropriation and appropriation are subject to the provisions of section 3005, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$25,000,000
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Appropriation:

Model Toxics Control Stormwater Account—State	\$11,400,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$36,400,000

NEW SECTION. Sec. 3065. FOR THE DEPARTMENT OF ECOLOGY

2015-17 Restored Stormwater Financial Assistance (30000797)

Reappropriation:

State Building Construction Account—State	\$28,007,000
Prior Biennia (Expenditures)	\$2,093,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$30,100,000

NEW SECTION. Sec. 3066. FOR THE DEPARTMENT OF ECOLOGY

Catastrophic Flood Relief (40000006)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3023, chapter 2, Laws of 2018.

Reappropriation:

General Fund—Federal	\$10,000,000
State Building Construction Account—State	\$45,075,000
Subtotal Reappropriation	\$55,075,000
Prior Biennia (Expenditures)	\$4,925,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$60,000,000

NEW SECTION. Sec. 3067. FOR THE DEPARTMENT OF ECOLOGY

VW Settlement Funded Projects (40000018)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3008, chapter 298, Laws of 2018.

Reappropriation:

General Fund—Private/Local	\$112,599,000
Prior Biennia (Expenditures)	\$101,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$112,700,000

NEW SECTION. Sec. 3068. FOR THE DEPARTMENT OF ECOLOGY

Healthy Housing Remediation Program (40000108)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is subject to the provisions of section 3009, chapter 298, Laws of 2018.

Appropriation:

Model Toxics Control Capital Account—State	\$4,500,000
Prior Biennia (Expenditures)	\$600,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,100,000

NEW SECTION. Sec. 3069. FOR THE DEPARTMENT OF ECOLOGY

Reduce Air Pollution from Transit/Sch. Buses/State-Owned Vehicles (40000109)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3010, chapter 298, Laws of 2018.

Reappropriation:

Air Pollution Control Account—State	\$26,483,000
Prior Biennia (Expenditures)	\$1,917,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$28,400,000

NEW SECTION. Sec. 3070. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Water Pollution Control Revolving Program (40000110)

The appropriations in this section are subject to the following conditions and limitations:

- (1) For projects involving repair, replacement, or improvement of a clean water infrastructure facility or other public works facility for which an investment grade efficiency audit is reasonably obtainable, the department of ecology must require as a contract condition that the project sponsor undertake an investment grade efficiency audit. The project sponsor may finance the costs of the audit as part of its water pollution control state revolving fund program loan.

(2) The department must encourage local government use of federally funded clean water infrastructure programs operated by the United States department of agriculture rural development.

Appropriation:

Water Pollution Control Revolving Account—	
Federal	\$56,000,000
Water Pollution Control Revolving Account—State	\$148,000,000
Subtotal Appropriation	\$204,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$816,000,000
TOTAL	\$1,020,000,000

NEW SECTION. Sec. 3071. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Sunnyside Valley Irrigation District Water Conservation (40000111)

Appropriation:

State Building Construction Account—State	\$4,234,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$16,936,000
TOTAL	\$21,170,000

NEW SECTION. Sec. 3072. FOR THE DEPARTMENT OF ECOLOGY

2019-21 ASARCO Cleanup (40000114)

Appropriation:

Cleanup Settlement Account—State	\$6,800,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$15,650,000
TOTAL	\$22,450,000

NEW SECTION. Sec. 3073. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Reducing Toxic Diesel Emissions (40000115)

Appropriation:

Air Pollution Control Account—State	\$1,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$2,000,000
TOTAL	\$3,000,000

NEW SECTION. Sec. 3074. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Centennial Clean Water Program (40000116)

The appropriation in this section is subject to the following conditions and limitations:

(1) For projects involving repair, replacement, or improvement of a clean water infrastructure facility or other public works facility for which an investment grade efficiency audit is reasonably obtainable, the department of ecology must require as a contract condition that the project sponsor undertake an investment grade efficiency audit. The project sponsor may finance the costs of the audit as part of its centennial program grant.

(2) The agency must encourage local government use of federally funded clean water infrastructure programs operated by the United States department of agriculture rural development.

Appropriation:

State Building Construction Account—State	\$30,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$120,000,000
TOTAL	\$150,000,000

NEW SECTION. Sec. 3075. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Eastern Washington Clean Sites Initiative (40000117)

Appropriation:

Model Toxics Control Capital Account—State	\$12,110,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$12,110,000

NEW SECTION. Sec. 3076. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Reducing Toxic Wood Stove Emissions (40000126)

Appropriation:

Air Pollution Control Account—State	\$2,500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,500,000

NEW SECTION. Sec. 3077. FOR THE DEPARTMENT OF ECOLOGY

Padilla Bay Federal Capital Projects (40000127)

Appropriation:

General Fund—Federal	\$500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$500,000

NEW SECTION. Sec. 3078. FOR THE DEPARTMENT OF ECOLOGY

Mercury Switch Removal (40000128)

Appropriation:

Model Toxics Control Capital Account—State	\$250,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$250,000

NEW SECTION. Sec. 3079. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Floodplains by Design (40000129)

Appropriation:

State Building Construction Account—State	\$50,400,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$200,000,000
TOTAL	\$250,400,000

NEW SECTION. Sec. 3080. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Clean Up Toxics Sites - Puget Sound (40000130)

The appropriation in this section is subject to the following conditions and limitations: \$5,492,000 is provided solely for the Everett ASARCO cleanup to expedite the remediation of the residential properties, as well as conduct post-remediation monitoring and complete storm drain cleaning.

Appropriation:

Model Toxics Control Capital Account—State	\$12,767,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$12,767,000

NEW SECTION. Sec. 3081. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Stormwater Financial Assistance Program (40000144)

The appropriation in this section is subject to the following conditions and limitations:

(1) Appropriations in this section are provided solely for competitive grants to local governments implementing projects that reduce the impacts of stormwater on Washington state's waters.

(2) \$29,750,000 of the appropriation is provided solely for grants directed to areas of Puget Sound that will benefit southern resident killer whales.

Appropriation:

Model Toxics Control Stormwater Account—State	\$44,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$160,000,000
TOTAL	\$204,000,000

NEW SECTION. Sec. 3082. FOR THE DEPARTMENT OF ECOLOGY

2015 Drought Authority (40000146)

Appropriation:

State Drought Preparedness Account—State	\$669,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$669,000

NEW SECTION. Sec. 3083. FOR THE DEPARTMENT OF ECOLOGY

Waste Tire Pile Cleanup and Prevention (40000147)

Appropriation:

Waste Tire Removal Account—State	\$1,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$4,000,000
TOTAL	\$5,000,000

NEW SECTION. Sec. 3084. FOR THE DEPARTMENT OF ECOLOGY

Lacey HQ Roof Replacement (40000148)

Appropriation:

State Building Construction Account—State	\$3,089,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,089,000

NEW SECTION. Sec. 3085. FOR THE DEPARTMENT OF ECOLOGY

Healthy Housing Remediation Program (40000149)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is provided solely for the department to establish and administer a program to provide grants to persons intending to remediate contaminated real property for development of affordable housing, as defined in RCW 43.185A.010. The grants may only be used for:

(a) Integrated planning to fund studies and other activities necessary to facilitate the acquisition, remediation, and adaptive reuse of known or suspected contaminated real property for affordable housing development, including:

(i) The activities specified under RCW 70.105D.070(4)(e)(iv); and

(ii) Entry into development agreements pursuant to RCW 36.70B.170 through 36.70B.190 to accelerate the development of the contaminated real property into affordable housing; and

(b) Remediation of contaminated real property for affordable housing development.

(2) When prioritizing grants under this section, the department must consult with the department of commerce and consider at a minimum:

(a) The ability of the project to expedite the cleanup and reuse of the contaminated real property for affordable housing development;

(b) The extent to which the project leverages other public or private funding for the cleanup and reuse of the contaminated real property for affordable housing development;

(c) The suitability of the real property for affordable housing based on the threat posed by the contamination to human health;

(d) Whether the work to be funded under the grant is ready to proceed and be completed; and

(e) The distribution of grants throughout the state and among public and private entities.

(3) Any remediation of contaminated real property funded under this section must be performed:

(a) Under an agreed order or consent decree issued under chapter 70.105D RCW; and

(b) In accordance with the rules established under chapter 70.105D RCW.

(4) Prior to a grant recipient conveying any interest in the real property or entering into any leases, the real property must be restricted to affordable housing use for a period of no less than thirty years.

(a) The department may require a grant recipient to record an interest in the land in accordance with RCW 64.04.130 or use other means deemed by the department to be no less protective of the affordable housing use and interests of the department.

(b) Any grant recipient who refuses, without sufficient cause, to comply with this subsection shall be subject to enforcement pursuant to any agreement or chapter 70.105D RCW for the repayment, with interest, of funds provided under this section.

Appropriation:

Model Toxics Control Capital Account—State	\$5,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$20,000,000
TOTAL	\$25,000,000

NEW SECTION. Sec. 3086. FOR THE DEPARTMENT OF ECOLOGY

2019-21 State Match - Water Pollution Control Revolving Program (40000151)

Appropriation:

Water Pollution Control Revolving Account—State	\$12,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$48,000,000
TOTAL	\$60,000,000

NEW SECTION. Sec. 3087. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Columbia River Water Supply Development Program (40000152)

The appropriations in this section are subject to the following conditions and limitations: \$15,000,000 of the appropriation is provided solely to assist in designing, engineering and building the EL 22.1 surface water irrigation system, including a canal pump station, an electrical power substation, booster pump stations, and a large diameter full-sized pipeline sufficient to irrigate 16,000 acres, located north of Interstate-90 and east of Moses Lake, Washington from the east low canal to at least road W northeast, which would provide Columbia basin project irrigation water to the Odessa subarea to replace deep well irrigation in the declining aquifer as part of the Odessa groundwater replacement program. Any moneys received by the east Columbia basin irrigation district from this act for the EL 22.1 must reduce in the same amount the proportionate share of uniform capital costs for the Odessa groundwater replacement program as administered by the district.

Appropriation:

Columbia River Basin Water Supply Revenue	
Recovery Account—State	\$2,400,000
State Building Construction Account—State	\$27,100,000
State Taxable Building Construction Account—State	\$10,500,000
Subtotal Appropriation	\$40,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$180,000,000
TOTAL	\$220,000,000

NEW SECTION. Sec. 3088. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Streamflow Restoration Program (40000177)

Appropriation:

Watershed Restoration and Enhancement Bond

Account—State	\$40,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$160,000,000
TOTAL	\$200,000,000

NEW SECTION. Sec. 3089. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Yakima River Basin Water Supply (40000179)

Appropriation:

State Building Construction Account—State	\$40,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$340,000,000
TOTAL	\$380,000,000

NEW SECTION. Sec. 3090. FOR THE DEPARTMENT OF ECOLOGY

Zosel Dam Preservation (40000193)

Appropriation:

State Building Construction Account—State	\$217,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$217,000

NEW SECTION. Sec. 3091. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Protect Investments in Cleanup Remedies (40000194)

The appropriation in this section is subject to the following conditions and limitations: \$2,260,000 of the model toxics control capital account appropriation is provided solely for reimbursing the Lakewood water district for costs for the Ponders drinking water treatment system, including costs incurred prior to July 1, 2019.

Appropriation:

Model Toxics Control Capital Account—State	\$9,637,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$40,000,000
TOTAL	\$49,637,000

NEW SECTION. Sec. 3092. FOR THE DEPARTMENT OF ECOLOGY

Lacey HQ Facility Preservation Project—Minor Works (40000207)

Appropriation:

State Building Construction Account—State	\$250,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$250,000

NEW SECTION. Sec. 3093. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Chehalis Basin Strategy (40000209)

The appropriation in this section is subject to the following conditions and limitations:

(1) Up to \$23,757,000 of the appropriation is for advancing the long-term strategy for the Chehalis basin projects to reduce flood damage and restore aquatic species including project level environmental review, data collection, engineering design of future construction projects, feasibility analysis, and engagement of state agencies, tribes, the office of Chehalis basin, and other parties.

(2) Up to \$49,450,000 of the appropriation is for construction of local priority flood protection and habitat restoration projects.

(3) The office of Chehalis basin board has discretion to allocate the funding between subsections (1) and (2) of this section if needed to meet the objectives of this appropriation; however, \$10,000,000 of the amounts in this section are provided solely for the final design, permitting, property acquisition, and construction of the Aberdeen Hoquiam north shore levee and related stormwater conveyance and pump station upgrades.

(4) Up to one and a half percent of the appropriation provided in this section may be used by the recreation and conservation office to administer contracts associated with the subprojects funded through this section. Contract administration includes, but is not limited to: Drafting and amending contracts, reviewing and approving invoices, tracking expenditures, and performing field inspections to assess project status when conducting similar assessments related to other agency contracts in the same geographic area.

Appropriation:

State Building Construction Account—State	\$73,207,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$288,000,000
TOTAL	\$361,207,000

NEW SECTION. Sec. 3094. FOR THE DEPARTMENT OF ECOLOGY

Chemical Action Plan Implementation (40000210)

Appropriation:

Model Toxics Control Capital Account—State	\$3,704,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,704,000

NEW SECTION. Sec. 3095. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Remedial Action Grants (40000211)

Appropriation:

Model Toxics Control Capital Account—State	\$49,964,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$254,000,000
TOTAL	\$303,964,000

NEW SECTION. Sec. 3096. FOR THE DEPARTMENT OF ECOLOGY

Habitat Mitigation (91000007)

Reappropriation:

State Building Construction Account—State	\$47,000
Prior Biennia (Expenditures)	\$2,802,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,849,000

NEW SECTION. Sec. 3097. FOR THE DEPARTMENT OF ECOLOGY

Clean Up Toxics Sites - Puget Sound (91000032)

Appropriation:

Model Toxics Control Capital Account—State	\$304,000
Prior Biennia (Expenditures)	\$8,966,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$9,270,000

NEW SECTION. Sec. 3098. FOR THE DEPARTMENT OF ECOLOGY

Skagit Mitigation (91000181)

Reappropriation:

State Building Construction Account—State	\$951,000
Prior Biennia (Expenditures)	\$1,274,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,225,000

NEW SECTION. Sec. 3099. FOR THE DEPARTMENT OF ECOLOGY

Integrated Planning Grant: Port Townsend (91000338)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3026, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$200,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$200,000

NEW SECTION. Sec. 3100. FOR THE DEPARTMENT OF ECOLOGY

Water Availability (91000343)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3011, chapter 298, Laws of 2018.

Reappropriation:

Watershed Restoration and Enhancement Bond Account—State	\$13,558,000
Prior Biennia (Expenditures)	\$42,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$13,600,000

NEW SECTION. Sec. 3101. FOR THE DEPARTMENT OF ECOLOGY

Skagit Water (91000347)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3012, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$2,500,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL	\$2,500,000

NEW SECTION. Sec. 3102. FOR THE DEPARTMENT OF ECOLOGY

Port of Port Angeles Stormwater (91000358)

The appropriation in this section is subject to the following conditions and limitations: \$250,000 is provided solely for the port of Port Angeles for archaeological excavations, design, and engineering for a stormwater pollution control system on industrial lands adjacent to the Tse-whit-zen tribal burial site in Port Angeles. Archaeological excavations must be completed in accordance with a permit issued by the department of archaeology and historic preservation and in consultation with the Lower Elwha Klallam tribe.

Appropriation:

<i>Model Toxics Control Capital Account—State</i>	<i>\$250,000</i>
<i>Prior Biennia (Expenditures).....</i>	<i>\$0</i>
<i>Future Biennia (Projected Costs).....</i>	<i>\$0</i>
<i>TOTAL</i>	<i>\$250,000</i>

**Sec. 3102 was vetoed. See message at end of chapter.*

NEW SECTION. Sec. 3103. FOR THE DEPARTMENT OF ECOLOGY

PFAS Pilot Project (91000359)

The appropriation in this section is subject to the following conditions and limitations: \$400,000 is provided solely for the department of ecology to continue the characterization of perfluoroalkyl and polyfluoroalkyl (PFAS) chemicals in source areas that impact the Issaquah valley aquifer and to design a pilot study for potential cleanup technologies. This work must be done in coordination with the local municipality and fire and rescue agency. The pilot plan shall help inform the development of statewide regulations for this contaminant.

Appropriation:

State Building Construction Account—State	\$400,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL	\$400,000

NEW SECTION. Sec. 3104. FOR THE DEPARTMENT OF ECOLOGY

Storm Water Improvements (92000076)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3028, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$42,734,000
Prior Biennia (Expenditures)	\$54,266,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$97,000,000

NEW SECTION. Sec. 3105. FOR THE DEPARTMENT OF ECOLOGY

Floodplain Management and Control Grants (92000078)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3069, chapter 19, Laws of 2013 2nd sp. sess.

Reappropriation:

State Building Construction Account—State	\$4,834,000
Prior Biennia (Expenditures)	\$45,166,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$50,000,000

NEW SECTION. Sec. 3106. FOR THE DEPARTMENT OF ECOLOGY

Drought Response (92000142)

Reappropriation:

State Drought Preparedness Account—State	\$1,559,000
Prior Biennia (Expenditures)	\$5,164,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$6,723,000

NEW SECTION. Sec. 3107. FOR THE DEPARTMENT OF ECOLOGY

Port of Tacoma Arkema/Dunlap Mound (92000158)

Reappropriation:

State Building Construction Account—State	\$735,000
Prior Biennia (Expenditures)	\$2,165,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,900,000

NEW SECTION. Sec. 3108. FOR THE POLLUTION LIABILITY INSURANCE PROGRAM

Underground Storage Tank Capital Program Demonstration and Design (30000001)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3085, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

Pollution Liability Insurance Program Trust Account—State	\$335,000
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Prior Biennia (Expenditures)	\$1,465,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,800,000

NEW SECTION. Sec. 3109. FOR THE POLLUTION LIABILITY INSURANCE PROGRAM

Underground Storage Tank Capital Financial Assistance Program (30000002)

Reappropriation:

PLIA Underground Storage Tank Revolving Account—	
State	\$3,683,000
Prior Biennia (Expenditures)	\$6,317,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$10,000,000

NEW SECTION. Sec. 3110. FOR THE POLLUTION LIABILITY INSURANCE PROGRAM

Leaking Tank Model Remedies (30000669)

Reappropriation:

State Building Construction Account—State	\$1,102,000
Prior Biennia (Expenditures)	\$4,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,106,000

NEW SECTION. Sec. 3111. FOR THE POLLUTION LIABILITY INSURANCE PROGRAM

Underground Storage Tank Capital Financing Assistance Program 2019-21 (30000702)

Appropriation:

PLIA Underground Storage Tank Revolving Account—	
State	\$12,500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$80,000,000
TOTAL	\$92,500,000

NEW SECTION. Sec. 3112. FOR THE POLLUTION LIABILITY INSURANCE PROGRAM

2019-21 Leaking Tank Model Remedies Activity (30000703)

Appropriation:

Pollution Liability Insurance Program Trust	
Account—State	\$764,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$764,000

NEW SECTION. Sec. 3113. FOR THE POLLUTION LIABILITY INSURANCE PROGRAM

Underground Storage Tank Capital Financial Assistance Pgm 2017-19 (92000001)

Reappropriation:

PLIA Underground Storage Tank Revolving Account—	
State	\$12,676,000
Prior Biennia (Expenditures)	\$24,000

Future Biennia (Projected Costs).....	\$0
TOTAL	\$12,700,000

NEW SECTION. Sec. 3114. FOR THE STATE PARKS AND RECREATION COMMISSION

Twin Harbors State Park: Renovation (30000086)

Reappropriation:

State Building Construction Account—State	\$267,000
Prior Biennia (Expenditures).....	\$229,000
Future Biennia (Projected Costs).....	\$13,954,000
TOTAL	\$14,450,000

NEW SECTION. Sec. 3115. FOR THE STATE PARKS AND RECREATION COMMISSION

Fort Flagler - WW1 Historic Facilities Preservation (30000100)

Reappropriation:

State Building Construction Account—State	\$1,091,000
Prior Biennia (Expenditures).....	\$2,295,000
Future Biennia (Projected Costs).....	\$1,963,000
TOTAL	\$5,349,000

NEW SECTION. Sec. 3116. FOR THE STATE PARKS AND RECREATION COMMISSION

Fort Simcoe - Historic Officers Quarters Renovation (30000155)

Reappropriation:

State Building Construction Account—State	\$292,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL	\$292,000

NEW SECTION. Sec. 3117. FOR THE STATE PARKS AND RECREATION COMMISSION

Sun Lakes State Park: Dry Falls Campground Renovation (30000305)

Reappropriation:

State Building Construction Account—State	\$342,000
Prior Biennia (Expenditures).....	\$60,000
Future Biennia (Projected Costs).....	\$7,442,000
TOTAL	\$7,884,000

NEW SECTION. Sec. 3118. FOR THE STATE PARKS AND RECREATION COMMISSION

Lake Chelan State Park Moorage Dock Pile Replacement (30000416)

Reappropriation:

State Building Construction Account—State	\$1,596,000
Prior Biennia (Expenditures).....	\$242,000
Future Biennia (Projected Costs).....	\$0
TOTAL	\$1,838,000

NEW SECTION. Sec. 3119. FOR THE STATE PARKS AND RECREATION COMMISSION

Marine Facilities - Various Locations Moorage Float Replacement (30000496)

Reappropriation:

State Building Construction Account—State	\$111,000
Prior Biennia (Expenditures)	\$458,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$569,000

NEW SECTION. Sec. 3120. FOR THE STATE PARKS AND RECREATION COMMISSION

Willapa Hills Trail Develop Safe Multi-Use Trail Crossing at SR 6 (30000519)

Reappropriation:

State Building Construction Account—State	\$25,000
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Appropriation:

State Building Construction Account—State	\$4,961,000
Prior Biennia (Expenditures)	\$397,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,383,000

NEW SECTION. Sec. 3121. FOR THE STATE PARKS AND RECREATION COMMISSION

Schafer Relocate Campground (30000532)

Reappropriation:

State Building Construction Account—State	\$433,000
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Appropriation:

State Building Construction Account—State	\$4,024,000
Prior Biennia (Expenditures)	\$309,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,766,000

NEW SECTION. Sec. 3122. FOR THE STATE PARKS AND RECREATION COMMISSION

Beacon Rock Entrance Road Realignment (30000647)

Reappropriation:

State Building Construction Account—State	\$215,000
Prior Biennia (Expenditures)	\$151,000
Future Biennia (Projected Costs)	\$9,050,000
TOTAL	\$9,416,000

NEW SECTION. Sec. 3123. FOR THE STATE PARKS AND RECREATION COMMISSION

Goldendale Observatory - Expansion (30000709)

Reappropriation:

State Building Construction Account—State	\$551,000
Prior Biennia (Expenditures)	\$4,793,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,344,000

NEW SECTION. Sec. 3124. FOR THE STATE PARKS AND RECREATION COMMISSION

Steamboat Rock Build Dunes Campground (30000729)

Reappropriation:

State Building Construction Account—State	\$2,437,000
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Appropriation:

State Building Construction Account—State	\$666,000
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Prior Biennia (Expenditures)	\$1,062,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,165,000

NEW SECTION. Sec. 3125. FOR THE STATE PARKS AND RECREATION COMMISSION

Kopachuck Day Use Development (30000820)

Reappropriation:

State Building Construction Account—State	\$5,190,000
Prior Biennia (Expenditures)	\$726,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,916,000

NEW SECTION. Sec. 3126. FOR THE STATE PARKS AND RECREATION COMMISSION

Clean Vessel Boating Pump-Out Grants (30000856)

Reappropriation:

General Fund—Federal	\$1,000,000
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Appropriation:

General Fund—Federal	\$2,600,000
Prior Biennia (Expenditures)	\$4,200,000
Future Biennia (Projected Costs)	\$10,400,000
TOTAL	\$18,200,000

NEW SECTION. Sec. 3127. FOR THE STATE PARKS AND RECREATION COMMISSION

Local Grant Authority (30000857)

Reappropriation:

Parks Renewal and Stewardship Account— Private/Local	\$1,000,000
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Appropriation:

Parks Renewal and Stewardship Account— Private/Local	\$2,000,000
Prior Biennia (Expenditures)	\$1,200,000
Future Biennia (Projected Costs)	\$8,000,000
TOTAL	\$12,200,000

NEW SECTION. Sec. 3128. FOR THE STATE PARKS AND RECREATION COMMISSION

Federal Grant Authority (30000858)

Reappropriation:

General Fund—Federal	\$350,000
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Appropriation:

General Fund—Federal	\$750,000
Prior Biennia (Expenditures)	\$2,150,000
Future Biennia (Projected Costs)	\$3,000,000
TOTAL	\$6,250,000

NEW SECTION. Sec. 3129. FOR THE STATE PARKS AND RECREATION COMMISSION

Fort Worden - Replace Failing Sewer Lines (30000860)

Reappropriation:

State Building Construction Account—State	\$1,493,000
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Prior Biennia (Expenditures)	\$1,061,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,554,000

NEW SECTION. Sec. 3130. FOR THE STATE PARKS AND RECREATION COMMISSION

Sequim Bay Address Failing Retaining Wall (30000861)

Reappropriation:

State Building Construction Account—State	\$735,000
Prior Biennia (Expenditures)	\$387,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,122,000

NEW SECTION. Sec. 3131. FOR THE STATE PARKS AND RECREATION COMMISSION

Lake Sammamish Dock Grant Match (30000872)

Reappropriation:

State Building Construction Account—State	\$959,000
Prior Biennia (Expenditures)	\$141,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,100,000

NEW SECTION. Sec. 3132. FOR THE STATE PARKS AND RECREATION COMMISSION

Birch Bay - Replace Failing Bridge (30000876)

Reappropriation:

State Building Construction Account—State	\$100,000
Prior Biennia (Expenditures)	\$237,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$337,000

NEW SECTION. Sec. 3133. FOR THE STATE PARKS AND RECREATION COMMISSION

Fort Worden - Pier & Marine Learning Center Improve or Replace (30000950)

Reappropriation:

State Building Construction Account—State	\$613,000
Prior Biennia (Expenditures)	\$121,000
Future Biennia (Projected Costs)	\$5,269,000
TOTAL	\$6,003,000

NEW SECTION. Sec. 3134. FOR THE STATE PARKS AND RECREATION COMMISSION

Field Spring Replace Failed Sewage Syst & Non-ADA Comfort Station (30000951)

Reappropriation:

State Building Construction Account—State	\$1,123,000
Prior Biennia (Expenditures)	\$145,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,268,000

NEW SECTION. Sec. 3135. FOR THE STATE PARKS AND RECREATION COMMISSION

Mount Spokane - Maintenance Facility Relocation from Harms Way (30000959)

Reappropriation:

State Building Construction Account—State	\$1,921,000
Prior Biennia (Expenditures)	\$587,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,508,000

NEW SECTION. Sec. 3136. FOR THE STATE PARKS AND RECREATION COMMISSION

Sun Lakes - Dry Falls - Upgrade Failing Water Supply Systems (30000962)

Reappropriation:

State Building Construction Account—State	\$644,000
Prior Biennia (Expenditures)	\$106,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$750,000

NEW SECTION. Sec. 3137. FOR THE STATE PARKS AND RECREATION COMMISSION

Statewide - Depression Era Structures Restoration Assessment (30000966)

Reappropriation:

State Building Construction Account—State	\$186,000
Prior Biennia (Expenditures)	\$1,086,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,272,000

NEW SECTION. Sec. 3138. FOR THE STATE PARKS AND RECREATION COMMISSION

Dash Point - Replace Bridge (Pedestrian) (30000972)

Reappropriation:

State Building Construction Account—State	\$468,000
Prior Biennia (Expenditures)	\$279,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$747,000

NEW SECTION. Sec. 3139. FOR THE STATE PARKS AND RECREATION COMMISSION

Minor Works Program (30000975)

Reappropriation:

State Building Construction Account—State	\$105,000
Prior Biennia (Expenditures)	\$386,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$491,000

NEW SECTION. Sec. 3140. FOR THE STATE PARKS AND RECREATION COMMISSION

Parkland Acquisition (30000976)

Appropriation:

Parkland Acquisition Account—State	\$2,000,000
Prior Biennia (Expenditures)	\$2,240,000
Future Biennia (Projected Costs)	\$8,000,000
TOTAL	\$12,240,000

NEW SECTION. Sec. 3141. FOR THE STATE PARKS AND RECREATION COMMISSION

Minor Works - Health and Safety (30000977)

Reappropriation:

State Building Construction Account—State	\$402,000
Prior Biennia (Expenditures)	\$647,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,049,000

NEW SECTION. Sec. 3142. FOR THE STATE PARKS AND RECREATION COMMISSION

Minor Works - Facilities and Infrastructure (30000978)

Reappropriation:

State Building Construction Account—State	\$1,981,000
Prior Biennia (Expenditures)	\$2,610,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,591,000

NEW SECTION. Sec. 3143. FOR THE STATE PARKS AND RECREATION COMMISSION

Minor Works—Program (30000979)

Reappropriation:

State Building Construction Account—State	\$646,000
Prior Biennia (Expenditures)	\$845,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,491,000

NEW SECTION. Sec. 3144. FOR THE STATE PARKS AND RECREATION COMMISSION

Moran Summit Learning Center - Interpretive Facility (30000980)

Reappropriation:

State Building Construction Account—State	\$903,000
Prior Biennia (Expenditures)	\$112,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,015,000

NEW SECTION. Sec. 3145. FOR THE STATE PARKS AND RECREATION COMMISSION

Penrose Point Sewer Improvements (30000981)

Reappropriation:

State Building Construction Account—State	\$320,000
Prior Biennia (Expenditures)	\$130,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$450,000

NEW SECTION. Sec. 3146. FOR THE STATE PARKS AND RECREATION COMMISSION

Palouse Falls Day Use Area Renovation (30000983)

Reappropriation:

State Building Construction Account—State	\$220,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$220,000

NEW SECTION. Sec. 3147. FOR THE STATE PARKS AND RECREATION COMMISSION

Lake Sammamish Sunset Beach Picnic Area (30000984)

Reappropriation:

State Building Construction Account—State	\$2,615,000
Prior Biennia (Expenditures)	\$145,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,760,000

NEW SECTION. Sec. 3148. FOR THE STATE PARKS AND RECREATION COMMISSION

Statewide Water System Renovation (30001016)

Reappropriation:

State Building Construction Account—State	\$264,000
Prior Biennia (Expenditures)	\$236,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$500,000

NEW SECTION. Sec. 3149. FOR THE STATE PARKS AND RECREATION COMMISSION

Statewide Septic System Renovation (30001017)

Reappropriation:

State Building Construction Account—State	\$65,000
Prior Biennia (Expenditures)	\$185,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$250,000

NEW SECTION. Sec. 3150. FOR THE STATE PARKS AND RECREATION COMMISSION

Statewide Electrical System Renovation (30001018)

Reappropriation:

State Building Construction Account—State	\$462,000
Prior Biennia (Expenditures)	\$288,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$750,000

NEW SECTION. Sec. 3151. FOR THE STATE PARKS AND RECREATION COMMISSION

Statewide - ADA Compliance (30000985)

Reappropriation:

State Building Construction Account—State	\$467,000
Prior Biennia (Expenditures)	\$533,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,000,000

NEW SECTION. Sec. 3152. FOR THE STATE PARKS AND RECREATION COMMISSION

Statewide New Park (30001019)

Reappropriation:

State Building Construction Account—State	\$267,000
Prior Biennia (Expenditures)	\$46,000
Future Biennia (Projected Costs)	\$20,006,000
TOTAL	\$20,319,000

NEW SECTION. Sec. 3153. FOR THE STATE PARKS AND RECREATION COMMISSION

Fort Worden Replace Failing Water Lines (30001022)

Reappropriation:

State Building Construction Account—State	\$214,000
Prior Biennia (Expenditures)	\$163,000
Future Biennia (Projected Costs)	\$2,013,000
TOTAL	\$2,390,000

NEW SECTION. Sec. 3154. FOR THE STATE PARKS AND RECREATION COMMISSION

Steptoe Butte Road Improvements (30001076)

Reappropriation:

State Building Construction Account—State	\$466,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$466,000

NEW SECTION. Sec. 3155. FOR THE STATE PARKS AND RECREATION COMMISSION

Cape Disappointment North Head Buildings and Ground Improvements (40000005)

Reappropriation:

State Building Construction Account—State	\$469,000
Prior Biennia (Expenditures)	\$2,226,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,695,000

NEW SECTION. Sec. 3156. FOR THE STATE PARKS AND RECREATION COMMISSION

Statewide Fish Barrier Removal (40000010)

Reappropriation:

State Building Construction Account—State	\$53,000
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Appropriation:

State Building Construction Account—State	\$1,605,000
Prior Biennia (Expenditures)	\$247,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,905,000

NEW SECTION. Sec. 3157. FOR THE STATE PARKS AND RECREATION COMMISSION

Statewide Electric Vehicle Charging Stations (40000016)

Appropriation:

State Building Construction Account—State	\$200,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$1,600,000
TOTAL	\$1,800,000

NEW SECTION. Sec. 3158. FOR THE STATE PARKS AND RECREATION COMMISSION

Moran - Major Park Renovation (40000020)

Appropriation:

State Building Construction Account—State	\$294,000
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Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$21,026,000
TOTAL	\$21,320,000

NEW SECTION. Sec. 3159. FOR THE STATE PARKS AND RECREATION COMMISSION

Preservation Minor Works 2019-21 (40000151)

Appropriation:

State Building Construction Account—State	\$4,447,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL	\$4,447,000

NEW SECTION. Sec. 3160. FOR THE STATE PARKS AND RECREATION COMMISSION

Nisqually New Full Service Park (40000153)

Appropriation:

State Building Construction Account—State	\$2,994,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$17,700,000
TOTAL	\$20,694,000

NEW SECTION. Sec. 3161. FOR THE STATE PARKS AND RECREATION COMMISSION

Comfort Station Pilot Project (91000433)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3043, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$1,063,000
Prior Biennia (Expenditures).....	\$104,000
Future Biennia (Projected Costs).....	\$0
TOTAL	\$1,167,000

NEW SECTION. Sec. 3162. FOR THE STATE PARKS AND RECREATION COMMISSION

State Parks Capital Preservation Pool (92000014)

The appropriations in this section are subject to the following conditions and limitations:

(1) Funding in this section is provided solely for a pool of eligible projects owned by the state parks and recreation commission.

(2) The following projects are the only projects eligible for funding in this section:

- (a) Birch Bay - Replace Failing;
- (b) Deception Pass - Bowman Bay Pier Replacement;
- (c) Fort Casey - Lighthouse Historic Preservation;
- (d) Fort Worden - Housing Areas Exterior Improvements;
- (e) Fort Worden Historic Building Roof Replacements;
- (f) Fort Worden Replace Failing Water Lines;
- (g) Kopachuck Day Use Development;

- (h) Pearrygin Lake Consolidated Park Access;
- (i) Palouse Falls Day Use Area Renovation;
- (j) Statewide - ADA Compliance 2019-21;
- (k) Statewide - Code/Regulatory Compliance 2019-21;
- (l) Statewide - Facility & Infrastructure Backlog Reduction 2019-21;
- (m) Statewide - Marine Facilities Rehabilitation;
- (n) Steptoe Butte Road Improvements;
- (o) Sun Lakes State Park: Dry Falls Campground Renovation;
- (p) Lyons Ferry Campground Reestablishment;
- (q) Cape Disappointment North Head Lighthouse Area Bldgs and Grounds;
- (r) Fort Flagler - WW1 Historic Facilities Preservation;
- (s) Fort Simcoe - Historic Officers Quarters Renovation; and
- (t) Sun Lakes - Dry Falls Visitor's Center Renovation.

(3) The department shall report to the governor and the appropriate committees of the legislature the list of projects with funding levels, allotments, and schedules for the projects in this section by January 1, 2020.

Appropriation:

State Building Construction Account—State	\$31,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$31,000,000

NEW SECTION. Sec. 3163. FOR THE STATE PARKS AND RECREATION COMMISSION

St. Edward Environmental Education and Research Center (92000016)

Appropriation:

State Building Construction Account—State	\$750,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$750,000

NEW SECTION. Sec. 3164. FOR THE RECREATION AND CONSERVATION OFFICE

Washington Wildlife Recreation Grants (30000002)

Reappropriation:

Habitat Conservation Account—State	\$65,000
Prior Biennia (Expenditures)	\$69,380,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$69,445,000

NEW SECTION. Sec. 3165. FOR THE RECREATION AND CONSERVATION OFFICE

Washington Wildlife Recreation Grants (30000139)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is provided solely for the list of projects in LEAP capital document No. 2011-3A, developed May 24, 2011.

Reappropriation:

Outdoor Recreation Account—State	\$886,000
Prior Biennia (Expenditures)	\$41,114,000
Future Biennia (Projected Costs)	\$0

TOTAL \$42,000,000

NEW SECTION. Sec. 3166. FOR THE RECREATION AND CONSERVATION OFFICE

Salmon Recovery Funding Board Programs (30000140)

Reappropriation:

General Fund—Federal	\$1,901,000
Prior Biennia (Expenditures)	\$68,161,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$70,062,000

NEW SECTION. Sec. 3167. FOR THE RECREATION AND CONSERVATION OFFICE

Washington Wildlife Recreation Grants (30000205)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3161, chapter 19, Laws of 2013 2nd sp. sess.

Reappropriation:

Outdoor Recreation Account—State	\$3,010,000
Farm and Forest Account—State	\$1,332,000
Riparian Protection Account—State	\$504,000
Habitat Conservation Account—State	\$3,761,000
Subtotal Reappropriation	\$8,607,000
Prior Biennia (Expenditures)	\$56,393,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$65,000,000

NEW SECTION. Sec. 3168. FOR THE RECREATION AND CONSERVATION OFFICE

Salmon Recovery Funding Board Programs (30000206)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3162, chapter 19, Laws of 2013 2nd sp. sess.

Reappropriation:

General Fund—Federal	\$7,650,000
Prior Biennia (Expenditures)	\$67,350,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$75,000,000

NEW SECTION. Sec. 3169. FOR THE RECREATION AND CONSERVATION OFFICE

Aquatic Lands Enhancement Account (30000210)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation in this section is provided solely for the list of projects in LEAP capital document No. 2013-2B, developed April 10, 2013.

Reappropriation:

Aquatic Lands Enhancement Account—State	\$232,000
Prior Biennia (Expenditures)	\$5,768,000

Future Biennia (Projected Costs).....	\$0
TOTAL	\$6,000,000

NEW SECTION. Sec. 3170. FOR THE RECREATION AND CONSERVATION OFFICE

Puget Sound Acquisition and Restoration (30000211)

Reappropriation:

State Building Construction Account—State	\$7,640,000
Prior Biennia (Expenditures).....	\$62,360,000
Future Biennia (Projected Costs).....	\$0
TOTAL	\$70,000,000

NEW SECTION. Sec. 3171. FOR THE RECREATION AND CONSERVATION OFFICE

Puget Sound Estuary and Salmon Restoration Program (30000212)

Reappropriation:

State Building Construction Account—State	\$481,000
Prior Biennia (Expenditures).....	\$9,519,000
Future Biennia (Projected Costs).....	\$0
TOTAL	\$10,000,000

NEW SECTION. Sec. 3172. FOR THE RECREATION AND CONSERVATION OFFICE

Land and Water Conservation (30000216)

Reappropriation:

General Fund—Federal	\$1,404,000
Prior Biennia (Expenditures).....	\$2,596,000
Future Biennia (Projected Costs).....	\$0
TOTAL	\$4,000,000

NEW SECTION. Sec. 3173. FOR THE RECREATION AND CONSERVATION OFFICE

Washington Wildlife Recreation Grants (30000220)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations in this section are provided solely for the list of projects in LEAP capital document No. 2015-1, developed June 30, 2015.

Reappropriation:

Outdoor Recreation Account—State	\$4,225,000
Farm and Forest Account—State.....	\$1,644,000
Riparian Protection Account—State	\$1,510,000
Habitat Conservation Account—State.....	\$5,486,000
Subtotal Reappropriation	\$12,865,000
Prior Biennia (Expenditures).....	\$42,458,000
Future Biennia (Projected Costs).....	\$0
TOTAL	\$55,323,000

NEW SECTION. Sec. 3174. FOR THE RECREATION AND CONSERVATION OFFICE

Salmon Recovery Funding Board Programs (30000221)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3164, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

General Fund—Federal	\$17,139,000
State Building Construction Account—State	\$2,973,000
Subtotal Reappropriation	\$20,112,000
Prior Biennia (Expenditures)	\$46,388,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$66,500,000

NEW SECTION. Sec. 3175. FOR THE RECREATION AND CONSERVATION OFFICE

Boating Facilities Program (30000222)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3024, chapter 35, Laws of 2016 sp. sess.

Reappropriation:

Recreation Resources Account—State	\$191,000
Prior Biennia (Expenditures)	\$14,019,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$14,210,000

NEW SECTION. Sec. 3176. FOR THE RECREATION AND CONSERVATION OFFICE

Nonhighway Off-Road Vehicle Activities (30000223)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3025, chapter 35, Laws of 2016 sp. sess.

Reappropriation:

NOVA Program Account—State	\$465,000
Prior Biennia (Expenditures)	\$10,705,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$11,170,000

NEW SECTION. Sec. 3177. FOR THE RECREATION AND CONSERVATION OFFICE

Youth Athletic Facilities (30000224)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3167, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

State Building Construction Account—State	\$1,494,000
Prior Biennia (Expenditures)	\$8,506,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$10,000,000

NEW SECTION. Sec. 3178. FOR THE RECREATION AND CONSERVATION OFFICE

Aquatic Lands Enhancement Account (30000225)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation in this section is provided solely for the list of projects in LEAP capital document No. 2015-2, developed June 30, 2015.

Reappropriation:

Aquatic Lands Enhancement Account—State	\$1,044,000
Prior Biennia (Expenditures)	\$4,225,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,269,000

NEW SECTION. Sec. 3179. FOR THE RECREATION AND CONSERVATION OFFICE

Puget Sound Acquisition and Restoration (30000226)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3169, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

State Building Construction Account—State	\$7,611,000
Prior Biennia (Expenditures)	\$29,389,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$37,000,000

NEW SECTION. Sec. 3180. FOR THE RECREATION AND CONSERVATION OFFICE

Puget Sound Estuary and Salmon Restoration Program (30000227)

Reappropriation:

State Building Construction Account—State	\$3,284,000
Prior Biennia (Expenditures)	\$4,716,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$8,000,000

NEW SECTION. Sec. 3181. FOR THE RECREATION AND CONSERVATION OFFICE

Firearms and Archery Range Recreation (30000228)

Reappropriation:

Firearms Range Account—State	\$81,000
Prior Biennia (Expenditures)	\$499,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$580,000

NEW SECTION. Sec. 3182. FOR THE RECREATION AND CONSERVATION OFFICE

Recreational Trails Program (30000229)

Reappropriation:

General Fund—Federal	\$1,002,000
Prior Biennia (Expenditures)	\$3,998,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,000,000

NEW SECTION. Sec. 3183. FOR THE RECREATION AND CONSERVATION OFFICE

Boating Infrastructure Grants (30000230)

Reappropriation:

General Fund—Federal	\$1,235,000
Prior Biennia (Expenditures)	\$965,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,200,000

NEW SECTION. Sec. 3184. FOR THE RECREATION AND CONSERVATION OFFICE

Land and Water Conservation (30000231)

Reappropriation:

General Fund—Federal	\$1,738,000
Prior Biennia (Expenditures)	\$2,262,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,000,000

NEW SECTION. Sec. 3185. FOR THE RECREATION AND CONSERVATION OFFICE

Family Forest Fish Passage Program (30000233)

Reappropriation:

State Building Construction Account—State	\$239,000
Prior Biennia (Expenditures)	\$4,761,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,000,000

NEW SECTION. Sec. 3186. FOR THE RECREATION AND CONSERVATION OFFICE

Salmon Recovery Funding Board Programs (30000408)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3070, chapter 2, Laws of 2018.

Reappropriation:

General Fund—Federal	\$44,171,000
State Building Construction Account—State	\$11,775,000
Subtotal Reappropriation	\$55,946,000
Prior Biennia (Expenditures)	\$13,765,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$69,711,000

NEW SECTION. Sec. 3187. FOR THE RECREATION AND CONSERVATION OFFICE

2017-19 Washington Wildlife Recreation Grants (30000409)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation in this section is provided solely for the list of projects in LEAP capital document No. 2017-42, developed July 20, 2017, and LEAP capital document No. 2018-6H, developed January 3, 2018.

Reappropriation:

Outdoor Recreation Account—State	\$29,705,000
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Farm and Forest Account—State	\$6,992,000
Habitat Conservation Account—State	\$27,817,000
Subtotal Reappropriation	\$64,514,000
Prior Biennia (Expenditures)	\$15,486,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$80,000,000

NEW SECTION. Sec. 3188. FOR THE RECREATION AND CONSERVATION OFFICE

Boating Facilities Program (30000410)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3072, chapter 2, Laws of 2018.

Reappropriation:

Recreation Resources Account—State	\$15,085,000
Prior Biennia (Expenditures)	\$2,090,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$17,175,000

NEW SECTION. Sec. 3189. FOR THE RECREATION AND CONSERVATION OFFICE

Nonhighway Off-Road Vehicle Activities (30000411)

Reappropriation:

NOVA Program Account—State	\$11,352,000
Prior Biennia (Expenditures)	\$1,843,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$13,195,000

NEW SECTION. Sec. 3190. FOR THE RECREATION AND CONSERVATION OFFICE

Youth Athletic Facilities (30000412)

Reappropriation:

State Building Construction Account—State	\$3,262,000
Prior Biennia (Expenditures)	\$815,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,077,000

NEW SECTION. Sec. 3191. FOR THE RECREATION AND CONSERVATION OFFICE

Aquatic Lands Enhancement Account (30000413)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation in this section is provided solely for the list of projects in LEAP capital document No. 2018-9H, developed March 5, 2018.

Reappropriation:

Aquatic Lands Enhancement Account—State	\$1,360,000
State Building Construction Account—State	\$8,794,000
Subtotal Reappropriation	\$10,154,000
Prior Biennia (Expenditures)	\$2,131,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$12,285,000

NEW SECTION. Sec. 3192. FOR THE RECREATION AND CONSERVATION OFFICE

Puget Sound Acquisition and Restoration (30000414)

Reappropriation:

State Building Construction Account—State	\$35,097,000
Prior Biennia (Expenditures)	\$4,903,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$40,000,000

NEW SECTION. Sec. 3193. FOR THE RECREATION AND CONSERVATION OFFICE

Puget Sound Estuary and Salmon Restoration Program (30000415)

Reappropriation:

State Building Construction Account—State	\$6,315,000
Prior Biennia (Expenditures)	\$1,685,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$8,000,000

NEW SECTION. Sec. 3194. FOR THE RECREATION AND CONSERVATION OFFICE

Firearms and Archery Range Recreation (30000416)

Reappropriation:

Firearms Range Account—State	\$762,000
Prior Biennia (Expenditures)	\$51,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$813,000

NEW SECTION. Sec. 3195. FOR THE RECREATION AND CONSERVATION OFFICE

Recreational Trails Program (30000417)

Reappropriation:

General Fund—Federal	\$4,283,000
Prior Biennia (Expenditures)	\$717,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,000,000

NEW SECTION. Sec. 3196. FOR THE RECREATION AND CONSERVATION OFFICE

Boating Infrastructure Grants (30000418)

Reappropriation:

General Fund—Federal	\$1,650,000
Prior Biennia (Expenditures)	\$550,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,200,000

NEW SECTION. Sec. 3197. FOR THE RECREATION AND CONSERVATION OFFICE

Land and Water Conservation (30000419)

Reappropriation:

General Fund—Federal	\$3,400,000
Prior Biennia (Expenditures)	\$600,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,000,000

NEW SECTION. Sec. 3198. FOR THE RECREATION AND CONSERVATION OFFICE

Washington Coastal Restoration Initiative (30000420)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3082, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$10,860,000
Prior Biennia (Expenditures)	\$1,640,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$12,500,000

NEW SECTION. Sec. 3199. FOR THE RECREATION AND CONSERVATION OFFICE

Family Forest Fish Passage Program (40000001)

Reappropriation:

State Building Construction Account—State	\$3,235,000
Prior Biennia (Expenditures)	\$1,765,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,000,000

NEW SECTION. Sec. 3200. FOR THE RECREATION AND CONSERVATION OFFICE

2019-21 - Washington Wildlife Recreation Grants (40000002)

The appropriations in this section are subject to the following conditions and limitations:

(1) Except as provided in subsection (2) of this section, the appropriations in this section are provided solely for the list of projects identified in LEAP capital document No. 2019-5H, developed April 27, 2019.

(2) The remaining portion of the farm and forest account—state appropriation is provided solely for the prioritized list of projects to be provided by the recreation and conservation office by November 1, 2019, pursuant to RCW 79A.15.130, and the appropriated funds may be spent after the office provides the list.

Appropriation:

Outdoor Recreation Account—State	\$38,250,000
Farm and Forest Account—State	\$8,500,000
Habitat Conservation Account—State	\$38,250,000
Subtotal Appropriation	\$85,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$320,000,000
TOTAL	\$405,000,000

NEW SECTION. Sec. 3201. FOR THE RECREATION AND CONSERVATION OFFICE

2019-21 - Salmon Recovery Funding Board Programs (40000004)

The appropriation in this section is subject to the following conditions and limitations:

(1) \$2,400,000 of the state building construction account—state appropriation is provided solely to maintain the lead entity program as described in chapter 77.85 RCW.

(2) \$640,000 of the state building construction account—state appropriation is provided solely for regional fisheries enhancement groups created in RCW 77.95.060.

Appropriation:

General Fund—Federal	\$50,000,000
State Building Construction Account—State	\$25,000,000
Subtotal Appropriation	\$75,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$300,000,000
TOTAL	\$375,000,000

NEW SECTION. Sec. 3202. FOR THE RECREATION AND CONSERVATION OFFICE

2019-21 - Boating Facilities Program (40000005)

Appropriation:

Recreation Resources Account—State	\$17,872,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$71,488,000
TOTAL	\$89,360,000

NEW SECTION. Sec. 3203. FOR THE RECREATION AND CONSERVATION OFFICE

2019-21 - Nonhighway Off-Road Vehicle Activities (40000006)

Appropriation:

NOVA Program Account—State	\$11,411,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$55,644,000
TOTAL	\$67,055,000

NEW SECTION. Sec. 3204. FOR THE RECREATION AND CONSERVATION OFFICE

2019-21 - Youth Athletic Facilities (40000007)

Appropriation:

State Building Construction Account—State	\$12,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$20,000,000
TOTAL	\$32,000,000

NEW SECTION. Sec. 3205. FOR THE RECREATION AND CONSERVATION OFFICE

2019-21 - Aquatic Lands Enhancement Account (40000008)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the list of projects identified in LEAP capital document No. 2019-6H, developed April 27, 2019.

Appropriation:

State Building Construction Account—State	\$6,600,000
Prior Biennia (Expenditures)	\$0

Future Biennia (Projected Costs).....	\$0
TOTAL	\$6,600,000

NEW SECTION. Sec. 3206. FOR THE RECREATION AND CONSERVATION OFFICE

2019-21 - Puget Sound Acquisition and Restoration (40000009)

Appropriation:

State Building Construction Account—State	\$49,507,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$160,000,000
TOTAL	\$209,507,000

NEW SECTION. Sec. 3207. FOR THE RECREATION AND CONSERVATION OFFICE

2019-21 - Puget Sound Estuary and Salmon Restoration Program (40000010)

Appropriation:

State Building Construction Account—State	\$10,000,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$40,000,000
TOTAL	\$50,000,000

NEW SECTION. Sec. 3208. FOR THE RECREATION AND CONSERVATION OFFICE

2019-21 - Washington Coastal Restoration Initiative (40000011)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is provided solely for the list of projects identified in LEAP capital document No. 2019-7H, developed April 27, 2019.

(2) The agency may retain a portion of the funds appropriated in this section for the administration of the grants. The portion of the funds retained for administration may not exceed 4.12 percent of the appropriation.

Appropriation:

State Building Construction Account—State	\$12,086,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$49,752,000
TOTAL	\$61,838,000

NEW SECTION. Sec. 3209. FOR THE RECREATION AND CONSERVATION OFFICE

2019-21 - Brian Abbott Fish Barrier Removal Board (40000012)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is provided solely for the list of projects identified in LEAP capital document No. 2019-8H, developed April 27, 2019.

(2) The board may retain a portion of the funds appropriated for this section for its office for the administration of the grants. The portion of the funds retained for administration may not exceed 3.0 percent of the appropriation.

(3) The department of fish and wildlife may retain a portion of the funds appropriated for this section for the Brian Abbott fish barrier removal board for technical assistance in developing projects for consideration. The portion of the

funds retained for technical assistance may not exceed 4.12 percent of the appropriation.

Appropriation:

State Building Construction Account—State	\$26,491,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$26,491,000

NEW SECTION. Sec. 3210. FOR THE RECREATION AND CONSERVATION OFFICE

2019-21 - Firearms and Archery Range (40000013)

Appropriation:

Firearms Range Account—State	\$735,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$2,940,000
TOTAL	\$3,675,000

NEW SECTION. Sec. 3211. FOR THE RECREATION AND CONSERVATION OFFICE

2019-21 - Recreational Trails Program (40000014)

Appropriation:

General Fund—Federal	\$5,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$20,000,000
TOTAL	\$25,000,000

NEW SECTION. Sec. 3212. FOR THE RECREATION AND CONSERVATION OFFICE

2019-21 - Boating Infrastructure Grants (40000015)

Appropriation:

General Fund—Federal	\$2,200,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$8,800,000
TOTAL	\$11,000,000

NEW SECTION. Sec. 3213. FOR THE RECREATION AND CONSERVATION OFFICE

2019-21 - Land and Water Conservation Fund (40000016)

Appropriation:

General Fund—Federal	\$6,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$24,000,000
TOTAL	\$30,000,000

NEW SECTION. Sec. 3214. FOR THE RECREATION AND CONSERVATION OFFICE

2019-21 Family Forest Fish Passage Program (40000017)

Appropriation:

State Building Construction Account—State	\$5,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$20,000,000
TOTAL	\$25,000,000

NEW SECTION. Sec. 3215. FOR THE RECREATION AND CONSERVATION OFFICE

Coastal Restoration Grants (91000448)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3177, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

State Building Construction Account—State	\$1,346,000
Prior Biennia (Expenditures)	\$9,839,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$11,185,000

NEW SECTION. Sec. 3216. FOR THE RECREATION AND CONSERVATION OFFICE

Brian Abbott Fish Passage Barrier Removal Board (91000566)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3085, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$18,076,000
Prior Biennia (Expenditures)	\$1,671,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$19,747,000

NEW SECTION. Sec. 3217. FOR THE RECREATION AND CONSERVATION OFFICE

Upper Quinault River Restoration Phase 3 (WCRI) (910000958)

Appropriation:

State Building Construction Account—State	\$2,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,000,000

NEW SECTION. Sec. 3218. FOR THE RECREATION AND CONSERVATION OFFICE

Recreation & Conservation Office Recreation Grants (92000131)

The reappropriations in this section are subject to the following conditions and limitations:

(1) The reappropriations are subject to the provisions of section 3086, chapter 2, Laws of 2018.

(2) A maximum of \$615,000 of unused funds in this appropriation may be used for replacement and repair of dock facilities available for public use at Van Riper marina, without requiring matching resources, and provided that a grant and lease term of 30 years is offered to the recipient from the state.

Reappropriation:

State Building Construction Account—State	\$14,559,000
Outdoor Recreation Account—State	\$1,337,000
Subtotal Reappropriation	\$15,896,000

Prior Biennia (Expenditures)	\$18,885,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$34,781,000

NEW SECTION. Sec. 3219. FOR THE RECREATION AND CONSERVATION OFFICE

Community Forest Pilot (92000447)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is provided solely for a community forest pilot program, including the following list of projects:

Mt. Adams Community Forest, Outlet Creek Tract	\$213,000
Gold Hill Community Forest	\$676,000

(2) The office may retain up to 4.0 percent of the appropriation for administrative costs, including costs for activities related to subsection (3) of this section.

(3) The office must assist Chelan county and other stakeholders to develop a management plan for potential future community forests, including the Nason Ridge community forest. The management plan for the Nason Ridge community forest must be submitted to the governor and the appropriate committees of the legislature by December 1, 2019.

Appropriation:

State Building Construction Account—State	\$925,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$925,000

NEW SECTION. Sec. 3220. FOR THE STATE CONSERVATION COMMISSION

Match for Federal RCPP Program (30000017)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3033, chapter 35, Laws of 2016 sp. sess.

Reappropriation:

General Fund—Federal	\$1,600,000
State Building Construction Account—State	\$1,465,000
Subtotal Reappropriation	\$3,065,000
Prior Biennia (Expenditures)	\$3,810,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$6,875,000

NEW SECTION. Sec. 3221. FOR THE STATE CONSERVATION COMMISSION

2019-21 Improve Shellfish Growing Areas (40000004)

The appropriation in this section is subject to the following conditions and limitations:

(1) \$1,000,000 of the appropriation is provided solely for continuing erosion control at North Cove, including beach restoration, erosion control, sediment abatement, soft berm, and dynamic revetment projects.

(2) Up to five percent of the appropriation provided in this section may be used by the conservation commission to acquire services of licensed engineers for project development, predesign and design services, and construction oversight for natural resource enhancement and conservation projects.

Appropriation:

State Building Construction Account—State	\$4,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$16,000,000
TOTAL	\$20,000,000

NEW SECTION. Sec. 3222. FOR THE STATE CONSERVATION COMMISSION

2019-21 Natural Resource Investments (40000005)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is provided solely to help landowners boost environmental stewardship and agricultural sustainability. The commission must consider funding needs for those districts involved with chinook salmon recovery that will have the most benefit for southern resident killer whales.

(2) Up to five percent of the appropriation provided in this section may be used by the conservation commission to acquire services of licensed engineers for project development, predesign and design services, and construction oversight for natural resource enhancement and conservation projects.

Appropriation:

State Building Construction Account—State	\$4,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$16,000,000
TOTAL	\$20,000,000

NEW SECTION. Sec. 3223. FOR THE STATE CONSERVATION COMMISSION

2019-21 Match for Federal RCPP (40000006)

The appropriation in this section is subject to the following conditions and limitations:

(1) The state building construction account—state appropriation is provided solely for a state match to the United States department of agriculture regional conservation partnership.

(2) The commission must, to the greatest extent possible, leverage other state and local projects in funding the match and development of the regional conservation partnership program grant applications.

Appropriation:

State Building Construction Account—State	\$4,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$7,800,000
TOTAL	\$11,800,000

NEW SECTION. Sec. 3224. FOR THE STATE CONSERVATION COMMISSION

2019-21 Water Irrigation Efficiencies Program (40000009)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is provided solely for technical assistance and grants to conservation districts for the purpose of implementing water conservation measures and irrigation efficiencies. The state conservation commission shall give preference to projects located in the sixteen fish critical basins, other watershed or drought impacted basins, and basins with significant water resource and instream flow issues. Projects that are not within the basins described in this subsection are also eligible to receive funding.

(2) Conservation districts statewide are eligible for grants listed in subsection (1) of this section. A conservation district receiving funds shall manage each grant to ensure that a portion of the water saved by the water conservation measure or irrigation efficiency will be placed as a purchase or a lease in the trust water rights program to enhance instream flows. The proportion of saved water placed in the trust water rights program must be equal to the percentage of the public investment in the conservation measure or irrigation efficiency. The percentage of the public investment may not exceed eighty-five percent of the total cost of the conservation measure or irrigation efficiency.

(3) Up to \$300,000 of the appropriation in this section may be allocated for the purchase and installation of flow meters that are implemented in cooperation with the Washington state department of fish and wildlife fish screening program authorized under RCW 77.57.070.

Appropriation:

State Building Construction Account—State	\$4,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$16,000,000
TOTAL	\$20,000,000

NEW SECTION. Sec. 3225. FOR THE STATE CONSERVATION COMMISSION

2019-21 CREP PIP Loan Program (40000010)

Appropriation:

Conservation Assistance Revolving Account—State	\$100,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$200,000
TOTAL	\$300,000

NEW SECTION. Sec. 3226. FOR THE STATE CONSERVATION COMMISSION

CREP Riparian Cost Share - State Match 2017-19 (91000009)

Reappropriation:

State Building Construction Account—State	\$1,969,000
Prior Biennia (Expenditures)	\$631,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,600,000

NEW SECTION. Sec. 3227. FOR THE STATE CONSERVATION COMMISSION

CREP Riparian Contract Funding 2017-19 (91000010)

Reappropriation:

State Building Construction Account—State	\$1,044,000
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Prior Biennia (Expenditures)	\$1,256,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,300,000

NEW SECTION. Sec. 3228. FOR THE STATE CONSERVATION COMMISSION

2019-21 CREP Riparian Contract Funding (91000015)

Appropriation:

State Building Construction Account—State	\$1,900,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,900,000

NEW SECTION. Sec. 3229. FOR THE STATE CONSERVATION COMMISSION

2019-21 CREP Riparian Cost Share - State Match (91000017)

Appropriation:

State Building Construction Account—State	\$1,800,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,800,000

NEW SECTION. Sec. 3230. FOR THE STATE CONSERVATION COMMISSION

Conservation Commission Ranch & Farmland Preservation Projects (92000004)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3188, chapter 3, Laws of 2015 3rd sp. sess., with the exception of the following: The commission is authorized to reallocate the project funds of \$4,913,000 from the Imrie ranches Rock creek agricultural easement to the purchase of the Simcoe unit.

Reappropriation:

State Building Construction Account—State	\$4,974,000
Prior Biennia (Expenditures)	\$2,548,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$7,522,000

NEW SECTION. Sec. 3231. FOR THE STATE CONSERVATION COMMISSION

Natural Resource Investment for the Economy & Environment 2017-19 (92000011)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3090, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$800,000
Prior Biennia (Expenditures)	\$3,200,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,000,000

NEW SECTION. Sec. 3232. FOR THE STATE CONSERVATION COMMISSION

Improve Shellfish Growing Areas 2017-19 (92000012)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3052, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$800,000
Prior Biennia (Expenditures)	\$3,200,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,000,000

NEW SECTION. Sec. 3233. FOR THE STATE CONSERVATION COMMISSION

Match for Federal RCPP Program 2017-19 (92000013)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3053, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$3,377,000
Prior Biennia (Expenditures)	\$623,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,000,000

NEW SECTION. Sec. 3234. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Deschutes Watershed Center (20062008)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3205, chapter 19, Laws of 2013 2nd sp. sess.

Reappropriation:

State Building Construction Account—State	\$9,697,000
Prior Biennia (Expenditures)	\$5,798,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$15,495,000

NEW SECTION. Sec. 3235. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Migratory Waterfowl Habitat (20082045)

Reappropriation:

State Wildlife Account—State	\$500,000
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Appropriation:

State Wildlife Account—State	\$600,000
Prior Biennia (Expenditures)	\$1,388,000
Future Biennia (Projected Costs)	\$1,800,000
TOTAL	\$4,288,000

NEW SECTION. Sec. 3236. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Mitigation Projects and Dedicated Funding (20082048)

The appropriations in this section are subject to the following conditions and limitations: \$3,900,000 of the appropriation is provided solely for repair of the Wiley Slough dike.

Reappropriation:

General Fund—Federal	\$10,000,000
General Fund—Private/Local	\$863,000
Special Wildlife Account—Federal	\$1,000,000
Special Wildlife Account—Private/Local	\$1,680,000
State Wildlife Account—State	\$400,000
Subtotal Reappropriation	\$13,943,000

Appropriation:

General Fund—Federal	\$10,000,000
General Fund—Private/Local	\$1,000,000
Special Wildlife Account—Federal	\$1,000,000
Special Wildlife Account—Private/Local	\$1,000,000
State Wildlife Account—State	\$500,000
Subtotal Appropriation	\$13,500,000
Prior Biennia (Expenditures)	\$72,421,000
Future Biennia (Projected Costs)	\$58,500,000
TOTAL	\$158,364,000

NEW SECTION. Sec. 3237. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Eells Spring Hatchery Renovation (30000214)

Reappropriation:

State Building Construction Account—State	\$1,375,000
Prior Biennia (Expenditures)	\$118,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,493,000

NEW SECTION. Sec. 3238. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Samish Hatchery Intakes (30000276)

Reappropriation:

State Building Construction Account—State	\$410,000
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Appropriation:

State Building Construction Account—State	\$7,682,000
Prior Biennia (Expenditures)	\$640,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$8,732,000

NEW SECTION. Sec. 3239. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Minter Hatchery Intakes (30000277)

Reappropriation:

State Building Construction Account—State	\$6,148,000
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Appropriation:

State Building Construction Account—State	\$2,306,000
Prior Biennia (Expenditures)	\$457,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$8,911,000

NEW SECTION. Sec. 3240. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Wooten Wildlife Area Improve Flood Plain (30000481)

Reappropriation:

State Building Construction Account—State	\$60,000
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Appropriation:

General Fund—Federal	\$500,000
State Building Construction Account—State	\$1,000,000
Subtotal Appropriation	\$1,500,000
Prior Biennia (Expenditures)	\$5,540,000
Future Biennia (Projected Costs)	\$6,000,000
TOTAL	\$13,100,000

NEW SECTION. Sec. 3241. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Wallace River Hatchery - Replace Intakes and Ponds (30000660)

Reappropriation:

State Building Construction Account—State	\$1,600,000
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Appropriation:

State Building Construction Account—State	\$11,804,000
Prior Biennia (Expenditures)	\$401,000
Future Biennia (Projected Costs)	\$10,000,000
TOTAL	\$23,805,000

NEW SECTION. Sec. 3242. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Soos Creek Hatchery Renovation (30000661)

Reappropriation:

State Building Construction Account—State	\$5,555,000
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Appropriation:

State Building Construction Account—State	\$1,710,000
Prior Biennia (Expenditures)	\$6,144,000
Future Biennia (Projected Costs)	\$3,031,000
TOTAL	\$16,440,000

NEW SECTION. Sec. 3243. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Cooperative Elk Damage Fencing (30000662)

The reappropriation and appropriation in this section are subject to the following conditions and limitations: The reappropriation and appropriation are to be spent in concert with, where applicable, the co-management agreements between the department of fish and wildlife and treaty tribes.

Reappropriation:

State Building Construction Account—State	\$850,000
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Appropriation:

State Building Construction Account—State	\$1,200,000
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Prior Biennia (Expenditures)	\$350,000
Future Biennia (Projected Costs)	\$4,800,000
TOTAL	\$7,200,000

NEW SECTION. Sec. 3244. FOR THE DEPARTMENT OF FISH AND

WILDLIFE

Edmonds Pier Renovation (30000664)

Reappropriation:

State Building Construction Account—State	\$154,000
Prior Biennia (Expenditures)	\$646,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$800,000

NEW SECTION. Sec. 3245. FOR THE DEPARTMENT OF FISH AND

WILDLIFE

Hazard Fuel Reductions, Forest Health and Ecosystem Improvement (30000665)

Reappropriation:

State Building Construction Account—State	\$1,500,000
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Appropriation:

State Building Construction Account—State	\$2,000,000
Prior Biennia (Expenditures)	\$3,500,000
Future Biennia (Projected Costs)	\$24,000,000
TOTAL	\$31,000,000

NEW SECTION. Sec. 3246. FOR THE DEPARTMENT OF FISH AND

WILDLIFE

Naselle Hatchery Renovation (30000671)

Reappropriation:

State Building Construction Account—State	\$7,441,000
Prior Biennia (Expenditures)	\$691,000
Future Biennia (Projected Costs)	\$28,220,000
TOTAL	\$36,352,000

NEW SECTION. Sec. 3247. FOR THE DEPARTMENT OF FISH AND

WILDLIFE

Eells Springs Production Shift (30000723)

Reappropriation:

State Building Construction Account—State	\$1,400,000
Prior Biennia (Expenditures)	\$2,670,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,070,000

NEW SECTION. Sec. 3248. FOR THE DEPARTMENT OF FISH AND

WILDLIFE

Minor Works Preservation (30000727)

Reappropriation:

State Building Construction Account—State	\$941,000
Prior Biennia (Expenditures)	\$8,589,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$9,530,000

NEW SECTION. Sec. 3249. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Puget Sound and Adjacent Waters Nearshore Restoration - Match (30000753)

Reappropriation:

General Fund—Federal	\$500,000
State Building Construction Account—State	\$281,000
Subtotal Reappropriation	\$781,000
Prior Biennia (Expenditures)	\$219,000
Future Biennia (Projected Costs)	\$70,616,000
TOTAL	\$71,616,000

NEW SECTION. Sec. 3250. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Minor Works Preservation (30000756)

Reappropriation:

State Building Construction Account—State	\$3,545,000
Prior Biennia (Expenditures)	\$5,955,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$9,500,000

NEW SECTION. Sec. 3251. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Minor Works - Programmatic (30000782)

Reappropriation:

State Building Construction Account—State	\$2,200,000
Prior Biennia (Expenditures)	\$625,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,825,000

NEW SECTION. Sec. 3252. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Snow Creek Reconstruct Facility (30000826)

The appropriation in this section is subject to the following conditions and limitations: In constructing the project, the department must consider the firelight toilet technology.

Reappropriation:

State Building Construction Account—State	\$25,000
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Appropriation:

State Building Construction Account—State	\$143,000
Prior Biennia (Expenditures)	\$75,000
Future Biennia (Projected Costs)	\$4,794,000
TOTAL	\$5,037,000

NEW SECTION. Sec. 3253. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Forks Creek Hatchery - Renovate Intake and Diversion (30000827)

Reappropriation:

State Building Construction Account—State	\$2,423,000
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Appropriation:

State Building Construction Account—State	\$3,086,000
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Prior Biennia (Expenditures)	\$2,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,511,000

NEW SECTION. Sec. 3254. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Hurd Creek - Relocate Facilities out of Floodplain (30000830)

Reappropriation:

State Building Construction Account—State	\$600,000
Prior Biennia (Expenditures)	\$200,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$800,000

NEW SECTION. Sec. 3255. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Dungeness Hatchery - Replace Main Intake (30000844)

Reappropriation:

State Building Construction Account—State	\$300,000
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Appropriation:

State Building Construction Account—State	\$4,830,000
Prior Biennia (Expenditures)	\$315,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,445,000

NEW SECTION. Sec. 3256. FOR THE DEPARTMENT OF FISH AND WILDLIFE

PSNERP Match (30000846)

Reappropriation:

General Fund—Federal	\$1,000,000
State Building Construction Account—State	\$489,000
Subtotal Reappropriation	\$1,489,000

Appropriation:

General Fund—Federal	\$4,754,000
State Building Construction Account—State	\$3,024,000
Subtotal Appropriation	\$7,778,000
Prior Biennia (Expenditures)	\$11,000
Future Biennia (Projected Costs)	\$424,426,000
TOTAL	\$433,704,000

NEW SECTION. Sec. 3257. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Kalama Falls Hatchery Replace Raceways and PA System (30000848)

Reappropriation:

State Building Construction Account—State	\$722,000
Prior Biennia (Expenditures)	\$94,000
Future Biennia (Projected Costs)	\$6,800,000
TOTAL	\$7,616,000

NEW SECTION. Sec. 3258. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Scatter Creek Wildlife Area Fire Damage (40000005)

Reappropriation:

State Building Construction Account—State	\$1,250,000
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Prior Biennia (Expenditures)	\$81,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,331,000

NEW SECTION. Sec. 3259. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Minor Works Preservation 2019-21 (40000007)

Appropriation:

State Building Construction Account—State	\$8,030,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$8,030,000

NEW SECTION. Sec. 3260. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Minor Works Programmatic 2019-21 (40000008)

Appropriation:

State Building Construction Account—State	\$2,427,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,427,000

NEW SECTION. Sec. 3261. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Toutle River Fish Collection Facility - Match (40000021)

Appropriation:

State Building Construction Account—State	\$6,775,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$18,312,000
TOTAL	\$25,087,000

NEW SECTION. Sec. 3262. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Elochoman Hatchery Demolition and Restoration (40000024)

Appropriation:

General Fund—Federal	\$250,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$250,000
TOTAL	\$500,000

NEW SECTION. Sec. 3263. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Snohomish County Wildlife Rehabilitation Facility (PAWS) (40000025)

Appropriation:

State Building Construction Account—State	\$2,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,000,000

NEW SECTION. Sec. 3264. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Region 1 Office - Construct Secure Storage (40000087)

Appropriation:

State Building Construction Account—State	\$150,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$6,329,000
TOTAL	\$6,479,000

NEW SECTION. Sec. 3265. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Minor Works - Access Sites (91000044)

Reappropriation:

State Building Construction Account—State	\$400,000
Prior Biennia (Expenditures)	\$7,006,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$7,406,000

NEW SECTION. Sec. 3266. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Lake Rufus Woods Fishing Access (91000151)

Reappropriation:

State Building Construction Account—State	\$1,000,000
Prior Biennia (Expenditures)	\$2,000,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,000,000

NEW SECTION. Sec. 3267. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Leque Island Highway 532 Road Protection (92000019)

Reappropriation:

State Building Construction Account—State	\$220,000
Prior Biennia (Expenditures)	\$460,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$680,000

NEW SECTION. Sec. 3268. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Clarks Creek Hatchery Rebuild (92000038)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3114, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$9,500,000
Prior Biennia (Expenditures)	\$6,920,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$16,420,000

NEW SECTION. Sec. 3269. FOR THE DEPARTMENT OF NATURAL RESOURCES

Road Maintenance and Abandonment Plan (RMAP) (30000261)

Reappropriation:

State Building Construction Account—State	\$1,346,000
Prior Biennia (Expenditures)	\$956,000
Future Biennia (Projected Costs)	\$0

TOTAL \$2,302,000

NEW SECTION. Sec. 3270. FOR THE DEPARTMENT OF NATURAL RESOURCES

Sustainable Recreation (30000263)

Reappropriation:

State Building Construction Account—State \$366,000
 Prior Biennia (Expenditures) \$2,134,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,500,000

NEW SECTION. Sec. 3271. FOR THE DEPARTMENT OF NATURAL RESOURCES

Natural Areas Facilities Preservation and Access (30000266)

Reappropriation:

State Building Construction Account—State \$745,000
 Prior Biennia (Expenditures) \$1,255,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,000,000

NEW SECTION. Sec. 3272. FOR THE DEPARTMENT OF NATURAL RESOURCES

Puget SoundCorps (30000267)

Reappropriation:

State Building Construction Account—State \$811,000
 Prior Biennia (Expenditures) \$4,189,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$5,000,000

NEW SECTION. Sec. 3273. FOR THE DEPARTMENT OF NATURAL RESOURCES

Trust Land Transfer Program (30000269)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3058, chapter 298, Laws of 2018, with the following exceptions:

(1) The department must deposit in the common school construction account the portion of the appropriation in this section that represents the estimated value of the timber on the transferred properties by June 30, 2020, rather than June 30, 2019.

(2) Land within the common school trust must be exchanged for land of equal value held for other trust beneficiaries of the property identified in subsection (1) of section 3058, chapter 298, Laws of 2018 by June 30, 2020, rather than June 30, 2019.

(3) The state treasurer shall transfer to the common school construction account any unexpended balance of the appropriation in this section by June 30, 2020, rather than June 30, 2019.

Reappropriation:

State Building Construction Account—State \$9,939,000
 Prior Biennia (Expenditures) \$61,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$10,000,000

NEW SECTION. Sec. 3274. FOR THE DEPARTMENT OF NATURAL RESOURCES

Forestry Riparian Easement Program (FREP) (30000279)

Reappropriation:

State Building Construction Account—State	\$400,000
Prior Biennia (Expenditures)	\$3,100,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,500,000

NEW SECTION. Sec. 3275. FOR THE DEPARTMENT OF NATURAL RESOURCES

Teaway Working Forest (30000289)

Reappropriation:

State Building Construction Account—State	\$600,000
Prior Biennia (Expenditures)	\$881,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,481,000

NEW SECTION. Sec. 3276. FOR THE DEPARTMENT OF NATURAL RESOURCES

Forest Hazard Reduction (30000290)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3129, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$6,111,000
Prior Biennia (Expenditures)	\$6,889,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$13,000,000

NEW SECTION. Sec. 3277. FOR THE DEPARTMENT OF NATURAL RESOURCES

NE Region Storm Damage Road Repair (40000002)

Reappropriation:

State Building Construction Account—State	\$391,000
Prior Biennia (Expenditures)	\$38,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$429,000

NEW SECTION. Sec. 3278. FOR THE DEPARTMENT OF NATURAL RESOURCES

Pasco Local Improvement District (40000019)

Appropriation:

State Building Construction Account—State	\$4,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,000,000

NEW SECTION. Sec. 3279. FOR THE DEPARTMENT OF NATURAL RESOURCES

State Forest Land Replacement (40000032)

The appropriation in this section is subject to the following conditions and limitations:

(1)(a) The appropriation is provided solely to the department to transfer from state forestland status to natural resources conservation area status certain state forestlands in counties with:

(i) A population of twenty-five thousand or fewer; and

(ii) Risks of timber harvest deferrals greater than thirty years due to the presence of wildlife species listed as endangered or threatened under the federal endangered species act.

(b) This appropriation must be used equally for the transfer of qualifying state forestlands in the qualifying counties.

(2) Property transferred under this section must be appraised and transferred at fair market value, without consideration of management or regulatory encumbrances associated with wildlife species listed under the federal endangered species act. The value of the timber and other valuable materials transferred must be distributed as provided in RCW 79.64.110. The value of the land transferred must be deposited in the park land trust revolving account and be used solely to buy replacement state forestland, consistent with RCW 79.22.060.

(3) Prior to or concurrent with conveyance of these properties, the department shall execute and record a real property instrument that dedicates the transferred properties to the purposes identified in subsection (1) of this section. Transfer agreements for properties identified in subsection (1) of this section must include terms that restrict the use of the property to the intended purpose.

(4) The department and applicable counties shall work in good faith to carry out the intent of this section. The department will identify eligible properties for transfer, consistent with subsections (1) and (2) of this section, in consultation with the applicable counties, and will not execute any property transfers that are not in the statewide interest of either the state forest trust or the natural resources conservation area program.

Appropriation:

State Building Construction Account—State	\$4,500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$24,000,000
TOTAL	\$28,500,000

NEW SECTION. Sec. 3280. FOR THE DEPARTMENT OF NATURAL RESOURCES

Omak Consolidation, Expansion and Relocation (40000033)

Appropriation:

State Building Construction Account—State	\$108,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$5,400,000
TOTAL	\$5,508,000

NEW SECTION. Sec. 3281. FOR THE DEPARTMENT OF NATURAL RESOURCES

Trust Land Transfer Program (40000034)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is provided solely for the department of natural resources to transfer from trust status certain trust lands of statewide significance deemed appropriate for state parks, fish and wildlife habitats, natural area preserves, natural resources conservation areas, department of natural resources community forest open spaces, or recreation purposes. The approved property for transfer is identified in the LEAP capital document No. 2019-9H, developed April 27, 2019.

(2) Property transferred under this section must be appraised and transferred at fair market value. By September 30, 2019, the department must deposit in the common school construction account the portion of the appropriation in this section that represents the estimated value of the timber on the transferred properties. This transfer must be made in the same manner as timber revenues from other common school trust lands. No deduction may be made for the resource management cost account under RCW 79.64.040. The portion of the appropriation in this section that represents the value of the land transferred must be deposited in the natural resources real property replacement account.

(3) All reasonable costs incurred by the department to implement this section are authorized to be paid out of the appropriations. Authorized costs include the actual cost of appraisals, staff time, environmental reviews, surveys, and other similar costs, and may not exceed one and nine-tenths percent of the appropriation.

(4) By June 30, 2021, land within the common school trust shall be exchanged for land of equal value held for other trust beneficiaries of the property identified in subsection (1) of this section.

(5) Prior to or concurrent with conveyance of these properties, the department shall execute and record a real property instrument that dedicates the transferred properties to the purposes identified in subsection (1) of this section. Fee transfer agreements for properties identified in subsection (1) of this section must include terms that perpetually restrict the use of the property to the intended purpose. Transfer agreements may include provisions for receiving agencies to request alternative uses of the property, provided the alternative uses are compatible with the originally intended public purpose and the department and legislature approves such uses.

(6) The department shall work in good faith to carry out the intent of this section.

(7) By June 30, 2021, the state treasurer shall transfer to the common school construction account any unexpended balance of the appropriation in this section.

Appropriation:

State Building Construction Account—State	\$6,400,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$6,400,000

NEW SECTION. Sec. 3282. FOR THE DEPARTMENT OF NATURAL RESOURCES

Road Maintenance and Abandonment Plan (RMAP) (40000037)

Appropriation:

State Building Construction Account—State	\$3,766,000
Prior Biennia (Expenditures)	\$0

Future Biennia (Projected Costs)	\$14,000,000
TOTAL	\$17,766,000

NEW SECTION. Sec. 3283. FOR THE DEPARTMENT OF NATURAL RESOURCES

Teanaway (40000038)

Appropriation:

State Building Construction Account—State	\$1,856,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,856,000

NEW SECTION. Sec. 3284. FOR THE DEPARTMENT OF NATURAL RESOURCES

Land Acquisition Grants (40000039)

Appropriation:

General Fund—Federal	\$18,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$40,000,000
TOTAL	\$58,000,000

NEW SECTION. Sec. 3285. FOR THE DEPARTMENT OF NATURAL RESOURCES

Puget Sound Corps (40000041)

Appropriation:

State Building Construction Account—State	\$4,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,000,000

NEW SECTION. Sec. 3286. FOR THE DEPARTMENT OF NATURAL RESOURCES

Sunshine Mine (40000042)

Appropriation:

Model Toxics Control Capital Account—State	\$130,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$130,000

NEW SECTION. Sec. 3287. FOR THE DEPARTMENT OF NATURAL RESOURCES

Trust Land Replacement (40000043)

Appropriation:

Resource Management Cost Account—State	\$30,000,000
Natural Resources Real Property Replacement Account—State	\$30,000,000
Community and Technical College Forest Reserve Account—State	\$1,000,000
Subtotal Appropriation	\$61,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$61,000,000

NEW SECTION. Sec. 3288. FOR THE DEPARTMENT OF NATURAL RESOURCES

Sustainable Recreation (40000044)

Appropriation:

State Building Construction Account—State	\$2,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$4,800,000
TOTAL	\$6,800,000

NEW SECTION. Sec. 3289. FOR THE DEPARTMENT OF NATURAL RESOURCES

Forest Legacy 2019-21 (40000045)

Appropriation:

General Fund—Federal	\$15,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$60,000,000
TOTAL	\$75,000,000

NEW SECTION. Sec. 3290. FOR THE DEPARTMENT OF NATURAL RESOURCES

Natural Areas Facilities 2019-21 (40000046)

Appropriation:

State Building Construction Account—State	\$2,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$10,000,000
TOTAL	\$12,000,000

NEW SECTION. Sec. 3291. FOR THE DEPARTMENT OF NATURAL RESOURCES

School Seismic Safety Assessments (40000047)

The appropriation in this section is subject to the following conditions and limitations:

(1) The department, in consultation with the office of emergency management, the office of the superintendent of public instruction, and the state board of education, shall develop a prioritized seismic risk assessment that includes seismic safety surveys of public facilities that are subject to high seismic risk because of high earthquake hazard and soils that amplify that hazard.

(2) The survey must be a representative sample of public facilities located in high priority areas as determined in the 2017-19 survey of public school seismic safety assessments and tsunami inundation zones as published by the department. The survey must use the results of the 2017-19 survey's findings to prioritize school buildings based on geologic and engineering results.

(3) The seismic safety surveys must be conducted for the following types of public facilities in the following order:

(a) A portion of public school facilities that are routinely used for the instruction of students in kindergarten through twelfth grade and in school districts that have held successful bond elections within the previous three years;

(b) A portion of the remaining public school facilities that are routinely used for the instruction of students in kindergarten through twelfth grade;

(c) Fire stations located within a one-mile radius of a facility described in (a) or (b) of this subsection.

(4) The department must coordinate and maximize survey efforts made under subsection (3)(a), (b), and (c) of this section whenever possible.

(5) The initial phase of the prioritized seismic needs assessment of the facilities specified in subsection (3)(a) and (b) of this section shall include, but is not limited to, the following:

(a) An on-site assessment, under the supervision of licensed geologists, of the seismic site class of the soils at the facilities;

(b) An on-site inspection of the facility buildings, including structural systems using structural plans where available, condition, maintenance, and nonstructural seismic hazards following standardized methods by licensed structural engineers;

(c) An estimate of costs to retrofit a prioritized subset of the facilities specified in subsection (3)(a) and (b) of this section to life safety standards as defined by the American society of civil engineers; and

(d) An estimate of costs to retrofit a prioritized subset of facilities specified in subsection (3)(c) of this section to immediate occupancy standards as defined by the American society of civil engineers.

(6) The department must collect and submit survey data to the superintendent of public instruction in a format compatible with the inventory and condition of schools database. The department must enter into an agreement with the superintendent of public instruction to make any necessary modifications to the inventory and condition of schools database to receive and report the survey data.

(7) The department must share that data with the school districts where the surveys were conducted, the schools where the surveys were conducted, the governor, and the appropriate legislative committees.

(8) The department and the office of the superintendent of public instruction must provide technical assistance to the school facilities sampled to incorporate survey information into their school safety plans.

(9) The statewide seismic needs assessment specified in this section shall be submitted to the office of financial management and the appropriate committees of the legislature by June 30, 2021.

Appropriation:

State Building Construction Account—State	\$2,200,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,200,000

NEW SECTION. Sec. 3292. FOR THE DEPARTMENT OF NATURAL RESOURCES

Forest Hazard Reduction (40000049)

The appropriation in this section is subject to the following conditions and limitations:

(1) \$13,200,000 is provided solely for: Mitigating risk of uncharacteristic wildfire and other disturbances to protect lives, communities, property, ecosystems, and working forests; implementing forest health treatments, prioritized pursuant to chapter 76.06 RCW, on state lands and state forestlands,

high-risk private lands, and federal lands, including implementation of the "good neighbor" agreement signed with the United States forest service and the bureau of land management, and "good neighbor" cross boundary competitive grants to forest collaboratives; and increasing the use of prescribed fire through improved trainings, prescribed burn certification programs, and shared stewardship strategies with federal land managers.

(2) \$1,000,000 is provided solely for administering the forest health treatments pursuant to subsection (1) of this section with the following conditions and limitations:

(a) The department must contract with the Washington conservation corps, including veterans, to provide forest health treatments that may include thinning, pruning, and brush disposal, and other wildfire preparedness and fuel modification practices for firewise communities; and

(b) The department must work in conjunction with communities, counties, fire districts, and conservation districts in implementing wildfire preparedness and fuel modification practices for firewise communities.

Appropriation:

State Building Construction Account—State	\$14,200,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$60,000,000
TOTAL	\$74,200,000

NEW SECTION. Sec. 3293. FOR THE DEPARTMENT OF NATURAL RESOURCES

Large Vessel Removals (40000051)

Appropriation:

State Building Construction Account—State	\$2,500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$4,000,000
TOTAL	\$6,500,000

NEW SECTION. Sec. 3294. FOR THE DEPARTMENT OF NATURAL RESOURCES

Forest Riparian Easement Program (FREP) (40000052)

Appropriation:

State Building Construction Account—State	\$2,500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$20,000,000
TOTAL	\$22,500,000

NEW SECTION. Sec. 3295. FOR THE DEPARTMENT OF NATURAL RESOURCES

Rivers and Habitat Open Space Program (RHOSP) (40000053)

Appropriation:

State Building Construction Account—State	\$1,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$4,000,000
TOTAL	\$5,000,000

NEW SECTION. Sec. 3296. FOR THE DEPARTMENT OF NATURAL RESOURCES

Cultural Resources Conservation Easement Program (CRCEP) (40000054)

Appropriation:

State Building Construction Account—State	\$1,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$4,000,000
TOTAL	\$5,000,000

NEW SECTION. Sec. 3297. FOR THE DEPARTMENT OF NATURAL RESOURCES

Federal ESA Mitigation Grants (91000087)

Reappropriation:

General Fund—Federal	\$4,000,000
Prior Biennia (Expenditures)	\$1,000,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,000,000

NEW SECTION. Sec. 3298. FOR THE DEPARTMENT OF NATURAL RESOURCES

Port of Willapa Harbor Energy Innovation District Grant (91000099)

Reappropriation:

State Building Construction Account—State	\$1,500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,500,000

NEW SECTION. Sec. 3299. FOR THE DEPARTMENT OF NATURAL RESOURCES

Assessing and Improving Economic Performance of Trust Lands (91000100)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is provided solely to conduct the asset valuation of state lands and state forestlands held in trust and managed by the department as required in section 7022 of this act.

Reappropriation:

State Building Construction Account—State	\$430,000
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Appropriation:

Forest Development Account—State	\$550,000
Resource Management Cost Account—State	\$550,000
Subtotal Appropriation	\$1,100,000
Prior Biennia (Expenditures)	\$125,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,655,000

NEW SECTION. Sec. 3300. FOR THE DEPARTMENT OF NATURAL RESOURCES

City of Omak Fire Suppression Water Flow Infrastructure (91000102)

Appropriation:

State Building Construction Account—State	\$1,300,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,300,000

NEW SECTION. Sec. 3301. FOR THE DEPARTMENT OF NATURAL RESOURCES

Fircrest Property (91000103)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for the following purposes:

(1) The department must, in consultation with the office of financial management and the department of social and health services, develop recommendations for future use of underutilized portions of the Fircrest School campus, including the southeast and southwest corners. Recommendations must include options for developing affordable housing and public open space on underutilized portions of the Fircrest School campus and any specific statutory language necessary to implement these recommendations. Recommendations must consider: (a) Current zoning restrictions; (b) current use; (c) current ownership; (d) current revenue generating capacity; (e) any specific statutory language necessary to implement these recommendations; and (f) any legal constraints.

(2) The department must submit a report to the appropriate committees of the legislature by December 31, 2019.

Appropriation:

Charitable, Educational, Penal, Reformatory,	
Institutional Account—State	\$250,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$250,000

NEW SECTION. Sec. 3302. FOR THE DEPARTMENT OF NATURAL RESOURCES

Forest Legacy 2017-19 (92000032)

Reappropriation:

General Fund—Federal	\$7,100,000
Prior Biennia (Expenditures)	\$7,900,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$15,000,000

NEW SECTION. Sec. 3303. FOR THE DEPARTMENT OF NATURAL RESOURCES

Administrative Site/Minor Works Pool (92000034)

The appropriations in this section are subject to the following conditions and limitations:

(1) Funding in this section is for a pool of eligible projects for predesign, design, or construction of facilities owned by the department of natural resources. The department may also use funding in this section for minor works preservation projects at facilities owned by the department.

(2) The following projects are the only projects eligible for predesign, design, or construction funding in this section: (a) Airway Heights Facility Replacement; (b) Belfair Fire and Work Center Replacement; (c) DNR Hangar Consolidation, Relocation, and Expansion; (d) Eatonville Consolidation and Expansion; (e) Forks Storm Water Repair; (f) Goldendale Fire Station Latrine and Shower Facility; (g) Husum Fire Station and Work Center Expansion and

Renovation; (h) Port Angeles Storm Water Repair; (i) Purchase Replacement for Union Gap Fire Station; and (j) Sedro-Woolley Storm Water Repair.

(3) The department shall report to the governor and the appropriate committees of the legislature the final list of projects with funding levels, allotments, and schedules for the projects in this section by January 1, 2020.

Appropriation:

State Building Construction Account—State	\$9,300,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$9,300,000

NEW SECTION. Sec. 3304. FOR THE DEPARTMENT OF

AGRICULTURE

Craft Brewing and Distilling Center (91000006)

Reappropriation:

State Building Construction Account—State	\$500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$500,000

NEW SECTION. Sec. 3305. FOR THE DEPARTMENT OF

AGRICULTURE

Grants to Improve Safety and Access at Fairs (92000003)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3067, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$48,000
Prior Biennia (Expenditures)	\$2,052,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,100,000

NEW SECTION. Sec. 3306. FOR THE DEPARTMENT OF

AGRICULTURE

2019-21 Grants to Improve Safety and Access at Fairs (92000004)

Appropriation:

State Building Construction Account—State	\$2,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,000,000

PART 4

TRANSPORTATION

NEW SECTION. Sec. 4001. FOR THE WASHINGTON STATE

PATROL

Fire Training Academy Stormwater Remediation (30000030)

Reappropriation:

Fire Service Training Account—State	\$2,832,000
Prior Biennia (Expenditures)	\$300,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,132,000

NEW SECTION. Sec. 4002. FOR THE WASHINGTON STATE PATROL

FTA Burn Building - Structural Repairs (30000256)

Appropriation:

Fire Service Training Account—State	\$750,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$750,000

NEW SECTION. Sec. 4003. FOR THE WASHINGTON STATE PATROL

Kennewick Laboratory Renovations and Security Improvements (30000266)

Appropriation:

State Building Construction Account—State	\$400,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$400,000

NEW SECTION. Sec. 4004. FOR THE WASHINGTON STATE PATROL

High Throughput DNA Laboratory (40000002)

The appropriation in this section is subject to the following conditions and limitations: \$277,000 is provided solely for renovations to the crime lab.

Appropriation:

State Building Construction Account—State	\$277,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$277,000

NEW SECTION. Sec. 4005. FOR THE DEPARTMENT OF TRANSPORTATION

Aviation Revitalization Loans (92000003)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 6023 of this act.

Reappropriation:

Public Works Assistance Account—State	\$5,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,000,000

**PART 5
EDUCATION**

NEW SECTION. Sec. 5001. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Pierce County Skills Center (20084856)

Reappropriation:

State Building Construction Account—State	\$472,000
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Prior Biennia (Expenditures)	\$35,072,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$35,544,000

NEW SECTION. Sec. 5002. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2011-13 School Construction Assistance Program (30000071)

Reappropriation:

Common School Construction Account—State	\$719,000
Prior Biennia (Expenditures)	\$529,333,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$530,052,000

NEW SECTION. Sec. 5003. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2013-15 School Construction Assistance Program - Maintenance (30000145)

Reappropriation:

State Building Construction Account—State	\$4,594,000
Prior Biennia (Expenditures)	\$382,788,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$387,382,000

NEW SECTION. Sec. 5004. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Tri-Tech Skills Center East Growth (30000159)

Reappropriation:

State Building Construction Account—State	\$1,702,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,702,000

NEW SECTION. Sec. 5005. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2015-17 School Construction Assistance Program (30000169)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5013, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

Common School Construction Account—State	\$44,700,000
Prior Biennia (Expenditures)	\$509,931,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$554,631,000

NEW SECTION. Sec. 5006. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Emergency Repairs and Equal Access Grants for K-12 Public Schools (30000182)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5001, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$3,795,000
Prior Biennia (Expenditures)	\$2,205,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$6,000,000

NEW SECTION. Sec. 5007. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Healthy Kids / Healthy Schools (30000184)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5002, chapter 298, Laws of 2018.

Reappropriation:

Common School Construction Account—State	\$3,049,000
Prior Biennia (Expenditures)	\$201,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,250,000

NEW SECTION. Sec. 5008. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Skill Centers - Minor Works (30000187)

Reappropriation:

School Construction and Skills Centers Building Account—State	\$2,691,000
Prior Biennia (Expenditures)	\$309,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,000,000

NEW SECTION. Sec. 5009. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Tri-Tech Skill Center - Core Growth (30000197)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5004, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$10,807,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$10,807,000

NEW SECTION. Sec. 5010. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

STEM Classrooms and Labs (30000203)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5005, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$11,344,000
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Prior Biennia (Expenditures)	\$1,656,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$13,000,000

NEW SECTION. Sec. 5011. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2017-19 School Construction Assistance Program (40000003)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 5003, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$475,282,000
Common School Construction Account—State	\$255,948,000
Subtotal Reappropriation	\$731,230,000
Prior Biennia (Expenditures)	\$217,520,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$948,750,000

NEW SECTION. Sec. 5012. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2019-21 School Construction Assistance Program - Maintenance Level (40000013)

The appropriations in this section are subject to the following conditions and limitations: \$1,005,000 of the common school construction account—state appropriation is provided solely for study and survey grants and for completing inventory and building condition assessments for public school districts every six years.

Appropriation:

State Building Construction Account—State	\$879,021,000
Common School Construction Account—State	\$160,032,000
Common School Construction Account—Federal	\$3,000,000
Subtotal Appropriation	\$1,042,053,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$4,870,192,000
TOTAL	\$5,912,245,000

NEW SECTION. Sec. 5013. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

West Sound Technical Skills Center Modernization (40000015)

Appropriation:

State Building Construction Account—State	\$500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$37,306,000
TOTAL	\$37,806,000

NEW SECTION. Sec. 5014. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Pierce County Skills Center - Evergreen Building Modernization (40000016)

Appropriation:

State Building Construction Account—State	\$146,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$5,240,000
TOTAL	\$5,386,000

NEW SECTION. Sec. 5015. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Administration (40000018)

The appropriation in this section is subject to the following conditions and limitations:

(1) \$261,000 of the appropriation is provided solely for automating the school construction assistance program grant application process, known as the "d-form process," in the inventory and condition of schools database with the following conditions and limitations:

(a) The school facilities and organization division of the office of the superintendent of public instruction, in consultation with the technical advisory committee defined in RCW 28A.525.025, must apply lean management principles and other performance management strategies to the d-form process prior to automating the process to reduce undue administrative burdens on school districts seeking state funding assistance for school construction; and

(b) The office of the superintendent of public instruction must submit a report to the office of financial management and the appropriate fiscal committees of the legislature on the progress and implementation of automating the d-form process by December 1, 2020.

(2)(a) Within the remaining portion of the appropriation, the school facilities and organization division of the office of the superintendent of public instruction, in consultation with the technical advisory committee and the citizens advisory panel defined in RCW 28A.525.025, must apply lean management principles and other performance strategies to the study and survey process to reduce undue administrative burdens on school districts seeking state funding assistance for school construction.

(b) The office of the superintendent of public instruction must submit a report to the office of financial management and the appropriate fiscal committees of the legislature on policy recommendations to streamline the study and survey process by December 1, 2020.

Appropriation:

Common School Construction Account—State	\$3,924,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL	\$3,924,000

NEW SECTION. Sec. 5016. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

School District Health and Safety 2019-21 (40000019)

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,000,000 of the common school construction account—state appropriation is provided solely for emergency repair grants to address unexpected and imminent health and safety hazards at K-12 public schools,

including skill centers, that will impact the day-to-day operations of the school facility, and this is the maximum amount that may be spent for this purpose. For emergency repair grants only, an emergency declaration must be signed by the school district board of directors and submitted to the superintendent of public instruction for consideration. The emergency declaration must include a description of the imminent health and safety hazard, the possible cause, the proposed scope of emergency repair work and related cost estimate, and identification of local funding to be applied to the project. Grants of emergency repair moneys must be conditioned upon the written commitment and plan of the school district board of directors to repay the grant with any insurance payments or other judgments that may be awarded, if applicable.

(2) \$3,000,000 of the state building construction account—state appropriation is provided solely for urgent repair grants to address nonrecurring urgent small repair projects at K-12 public schools, excluding skill centers, that could impact the health and safety of students and staff if not completed, and this is the maximum amount that may be spent for this purpose. The office of the superintendent of public instruction, after consulting with maintenance and operations administrators of school districts, shall develop criteria and assurances for providing funding for specific projects through a competitive grant program. The criteria and assurances must include, but are not limited to, the following: (a) Limiting school districts to one grant, not to exceed \$200,000, per three-year period; (b) prioritizing applications based on limited school district financial resources for the project; and (c) requiring any district receiving funding provided in this section to demonstrate a consistent commitment to addressing school facility needs. The grant applications must include a comprehensive description of the health and safety issues to be addressed, a detailed description of the remedy, including a detailed cost estimate of the repair or replacement work to be performed, and identification of local funding, if any, which will be applied to the project. Grants may be used for, but are not limited to: Repair or replacement of failing building systems; abatement of potentially hazardous materials; and safety-related structural improvements.

(3) \$1,000,000 of the state building construction account—state appropriation is provided solely for equal access grants for facility repairs and alterations at K-12 public schools, including skills centers, to improve compliance with the Americans with disabilities act and individuals with disabilities education act, and this is the maximum amount that may be spent for this purpose. The superintendent of public instruction shall develop criteria and assurances for providing funding for specific projects through a competitive grant program. The criteria and assurances must include, but are not limited to, the following: (a) Limiting districts to one grant, not to exceed \$100,000, per three-year period; (b) prioritizing applications based on limited school district financial resources for the project; and (c) requiring recipient districts to demonstrate a consistent commitment to addressing school facility needs. The grant applications must include a description of the Americans with disabilities act or individuals with disabilities education act compliance deficiency, a comprehensive description of the facility accessibility issues to be addressed, a detailed description of the remedy including a detailed cost estimate of the repair or replacement work to be performed, and identification of local funding, if any, which will be applied to the project. Priority for grant funding must be given to

school districts that demonstrate a lack of capital resources to address the compliance deficiencies outlined in the grant application.

(4) The superintendent of public instruction must notify the office of financial management, the legislative evaluation and accountability program committee, the house capital budget committee, and the senate ways and means committee as projects described in subsection (1) of this section are approved for funding.

Appropriation:

State Building Construction Account—State	\$4,000,000
Common School Construction Account—State	\$2,000,000
Subtotal Appropriation	\$6,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$24,000,000
TOTAL	\$30,000,000

NEW SECTION. Sec. 5017. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Healthy Kids / Healthy Schools 2019-21 (40000021)

The appropriation in this section is subject to the following conditions and limitations:

(1) \$250,000 of the common school construction account—state appropriation is provided solely for Washington Green Schools for planning and developing green stormwater infrastructure on public school properties that have been identified as needing to reduce stormwater runoff. The office must identify infrastructure project locations based on GIS mapping and must prioritize schools with high percentages of enrollments eligible for the free and reduced price meal program to provide equity of opportunity in high need communities. It is the intent of the legislature that these projects be used to engage students and be completed in conjunction with K-12 STEM education curriculum developed to meet next generation climate standards.

(2) The office of the superintendent of public instruction, after consulting with maintenance and operations administrators of school districts and the department of health, shall develop or use its previously developed criteria for providing funding for specific projects that are consistent with the healthiest next generation priorities. The criteria must include, but are not limited to, the following:

(a) Districts or schools may apply for grants but no single district may receive more than \$200,000 of the appropriation;

(b) Any district receiving funding provided in this section must demonstrate a consistent commitment to addressing school facilities' needs; and

(c) Applicants with a high percentage of students who are eligible and enrolled in the free and reduced-price meals program must be prioritized.

(3) The remaining portion of the appropriation may be used:

(a) For water bottle filling stations, which may include replacement of lead-contaminated drinking water fixtures.

(b) To purchase equipment or make repairs related to improving children's physical health which may include, but is not limited to: Fitness playground equipment, covered play areas, and physical education equipment or related structures or renovation.

(c) To purchase equipment or make repairs related to improving children's nutrition which may include, but is not limited to: Garden related structures and greenhouses to provide students access to fresh produce, and kitchen equipment or upgrades.

Appropriation:

Common School Construction Account—State	\$3,250,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL	\$3,250,000

NEW SECTION. Sec. 5018. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Skills Centers Minor Works (40000023)

Appropriation:

State Building Construction Account—State	\$3,000,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$12,000,000
TOTAL	\$15,000,000

NEW SECTION. Sec. 5019. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2019-21 Career Preparation and Launch Equipment Grants (40000032)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is provided solely for the superintendent of public instruction to provide competitive grants to school districts to purchase and install career and technical education equipment that expands work-integrated learning opportunities.

(2) The office of the superintendent of public instruction, after consulting with school districts and the workforce training and education coordinating board, shall develop criteria and assurances for providing funding and outcomes for specific projects through a competitive grant program to stay within the appropriation level provided in this section consistent with the following priorities. The criteria must include, but not be limited to, the following:

(a) Districts or schools must demonstrate that the request provides necessary equipment to deliver career and technical education; and

(b) Applicants with a high percentage of students who are eligible and enrolled in the free and reduced-price meals program must be prioritized.

(3) No single district may receive more than \$100,000 of the appropriation.

Appropriation:

Common School Construction Account—State	\$1,000,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL	\$1,000,000

NEW SECTION. Sec. 5020. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

STEM Pilot Program (91000402)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5005, chapter 35, Laws of 2016 sp. sess.

Reappropriation:

State Building Construction Account—State	\$3,046,000
Prior Biennia (Expenditures)	\$9,454,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$12,500,000

NEW SECTION. Sec. 5021. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Career and Technical Education Equipment Grants (91000408)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5005, chapter 298, Laws of 2018.

Reappropriation:

Common School Construction Account—State	\$385,000
Prior Biennia (Expenditures)	\$615,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,000,000

NEW SECTION. Sec. 5022. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Puget Sound Skills Center (92000007)

Reappropriation:

State Building Construction Account—State	\$67,000
Prior Biennia (Expenditures)	\$20,866,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$20,933,000

NEW SECTION. Sec. 5023. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

K-3 Class-size Reduction Grants (92000039)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5006, chapter 35, Laws of 2016 sp. sess., with the following exception: Before June 30, 2020, the superintendent must verify that projects receiving grant awards under this section are either in the design phase or under construction, or funding for those projects shall lapse on that date.

Reappropriation:

State Building Construction Account—State	\$109,454,000
Prior Biennia (Expenditures)	\$125,046,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$234,500,000

NEW SECTION. Sec. 5024. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Small Rural District Modernization Grants (92000040)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5008, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$41,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$41,000,000

NEW SECTION. Sec. 5025. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Distressed Schools (92000041)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5007, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$41,585,000
Prior Biennia (Expenditures)	\$3,901,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$45,486,000

NEW SECTION. Sec. 5026. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Everett Pathways to Medical Education (92000123)

Reappropriation:

State Building Construction Account—State	\$2,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,000,000

NEW SECTION. Sec. 5027. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Agricultural Science in Schools Grant to FFA Foundation (92000122)

Appropriation:

State Building Construction Account—State	\$1,750,000
Prior Biennia (Expenditures)	\$1,750,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,500,000

NEW SECTION. Sec. 5028. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2019-21 Small District Modernization Grants (92000139)

The appropriation in this section is subject to the following conditions and limitations:

(1) The legislature finds that small school districts with total enrollments of one thousand students or less may have school facilities with significant building systems deficiencies and low property values, and that raising enough funds to participate in the school construction assistance program to replace or modernize their school facilities would present an extraordinary tax burden on property owners or would exceed allowable debt.

(2) \$200,000 of the appropriation is provided solely for the office of the superintendent of public instruction to administer the grant program and provide technical assistance to small school districts seeking grants funded in this section.

(3) \$1,000,000 of the appropriation is provided solely for planning grants for small school districts interested in seeking modernization grants in subsection (4) of this section. The superintendent may prioritize planning grants for school districts with the most serious building deficiencies and the most limited financial capacity. Planning grants may not exceed \$50,000 per district.

(4) The remaining portion of the appropriation is provided solely for modernization grants for small school districts with significant building system deficiencies and limited financial capacity with the following conditions:

(a) The superintendent of public instruction must appoint an advisory committee whose members have experience in financing and managing school facilities in small school districts to assist the office in designing the grant application process, developing the prioritization criteria, and evaluating the grant applications. Advisory committee members may not be involved in developing projects or applying for grants funded in this section.

(b) In addition to prioritization criteria developed by the office of the superintendent of public instruction and the advisory committee pursuant to (4)(a) of this section, the office and the advisory committee must also prioritize projects that: (i) Improve student health, safety, and academic performance for the largest number of students; (ii) provide the most available school district resources, including in-kind resources; and (iii) make use of mass-timber products, including cross-laminated timber, or aggregates and concretes materials.

(c) The superintendent must submit a list of small school district modernization projects, as prioritized by the advisory committee, to the legislature by January 15, 2020. The list must include: (i) A description of the project; (ii) the proposed state funding level, not to exceed \$5,000,000; (iii) estimated total project costs; and (iv) local funding resources. The appropriated funds in this subsection may be awarded only after the legislature approves the list.

(5) For projects in this section that are also eligible for funding through the school construction assistance program, the office of the superintendent of public instruction must expedite and streamline the administrative requirements, timelines, and matching requirements for the funds provided in this section to be used promptly. Funds provided in this section plus state funds provided in the school construction assistance program grant must not exceed total project costs minus available local resources.

Appropriation:

State Building Construction Account—State	\$20,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$20,000,000

NEW SECTION. Sec. 5029. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2019-21 STEM Grants (92000140)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for a grant to the Laser Interferometer Gravitational-Wave Observatory (LIGO) STEM Observatory in Richland, Washington.

Appropriation:

State Building Construction Account—State	\$7,700,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL	\$7,700,000

NEW SECTION. Sec. 5030. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Distressed Schools (92000142)

The appropriation in this section is subject to the following conditions and limitations:

(1) \$4,400,000 of the appropriation in this section is provided solely for classroom additions and other modernizations at Leschi elementary school in Seattle public schools.

(2) \$10,500,000 of the appropriation in this section is provided solely for classroom additions at Madison middle school in Seattle public schools.

(3) \$3,100,000 of the appropriation in this section is provided solely for heating and ventilation upgrades at North Beach elementary school in Seattle public schools.

(4) The remaining portion of the appropriation is provided solely for competitive grants for modular classrooms made with mass timber products, including cross-laminated timber, for the purpose of replacing portables in school districts with space challenges due to unavailable land for new school facilities to accommodate enrollment growth or with an overdependent use of portables to provide classroom space. The grants are subject to the following conditions and limitations:

(a) School districts are responsible for the costs of site preparation; required permits; delivery and installation of the modular classrooms; furnishings, fixtures, and equipment; utility connections; and any other infrastructure costs related to the modular classrooms;

(b) The office of the superintendent of public instruction must prioritize projects based on the following criteria in the following order:

(i) School districts with high ratios of portable classrooms to permanent classrooms;

(ii) School districts with low acreage of land available for new construction;

(iii) Projects that achieve lowest cost per classroom with highest percentage of mass timber products in the overall construction of the project; and

(iv) Projects that demonstrate multistory application of mass timber products.

Appropriation:

State Building Construction Account—State	\$23,000,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL	\$23,000,000

NEW SECTION. Sec. 5031. FOR THE STATE SCHOOL FOR THE BLIND

2017-19 Campus Preservation (30000100)

Reappropriation:

State Building Construction Account—State	\$150,000
Prior Biennia (Expenditures)	\$420,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$570,000

NEW SECTION. Sec. 5032. FOR THE STATE SCHOOL FOR THE BLIND

Independent Living Skills Center (30000107)

Reappropriation:

State Building Construction Account—State	\$143,000
Prior Biennia (Expenditures)	\$27,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$170,000

NEW SECTION. Sec. 5033. FOR THE STATE SCHOOL FOR THE BLIND

2019-21 Campus Preservation (40000004)

Appropriation:

State Building Construction Account—State	\$580,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$2,320,000
TOTAL	\$2,900,000

NEW SECTION. Sec. 5034. FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING LOSS

Academic and Physical Education Building (30000036)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5009, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$786,000
Prior Biennia (Expenditures)	\$214,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,000,000

NEW SECTION. Sec. 5035. FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING LOSS

Minor Works: Preservation 2019-21 (30000045)

Appropriation:

State Building Construction Account—State	\$500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$4,000,000
TOTAL	\$4,500,000

NEW SECTION. Sec. 5036. FOR THE UNIVERSITY OF WASHINGTON

UW Tacoma (20102002)

The appropriation in this section is subject to the following conditions and limitations: At least ten percent of the total cost of this project must be paid from private funds.

Appropriation:

University of Washington Building Account—State	\$4,000,000
Prior Biennia (Expenditures)	\$500,000
Future Biennia (Projected Costs)	\$36,000,000
TOTAL	\$40,500,000

NEW SECTION. Sec. 5037. FOR THE UNIVERSITY OF WASHINGTON

UW Bothell (30000378)

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,343,000 of the appropriations in this section is provided solely for project and equipment costs associated with the space used by Cascadia college pursuant to subsection (2)(b) and (c) of this section.

(2) The remaining portion of the appropriations in this section is provided solely for a STEM building on the Bothell campus of the University of Washington to be shared jointly with Cascadia college with the following conditions and limitations:

(a) The University of Washington and Cascadia college must be tenants in common of the building constructed with this appropriation;

(b) The University of Washington and Cascadia college shall have joint, equal, and undivided authority in the governance of the design, construction, and operation of the building;

(c) Half of the assignable space constructed with this appropriation must be designed for and exclusively used by Cascadia college; and

(d) Cascadia college shall pay no rent or operations and maintenance expenses to the University of Washington for the space used by Cascadia college pursuant to (c) of this subsection.

(3) The building may be delivered using the design-build procedure for public works projects, as defined by chapter 39.10 RCW, with a guarantee for energy, operations, and maintenance performance. The term for performance guarantee must not be less than one year. Criteria for selecting the design-build contractor must include life-cycle costs, energy costs, or energy use index. Contractors and architectural and engineering firms may be eligible for additional points during the scoring process if they have experience with the state agency, or if they are considered a small business.

(4) The building must be built using sustainable building standards as defined in section 7009 of this act.

Reappropriation:

State Building Construction Account—State	\$3,118,000
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Appropriation:

State Building Construction Account—State	\$75,938,000
Prior Biennia (Expenditures)	\$382,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$79,438,000

NEW SECTION. Sec. 5038. FOR THE UNIVERSITY OF WASHINGTON

Health Sciences Education - T-Wing Renovation/Addition (30000486)

Reappropriation:

State Building Construction Account—State \$9,400,000

Appropriation:

State Building Construction Account—State \$58,000,000

University of Washington Building Account—State. \$2,000,000

Subtotal Appropriation \$60,000,000

Prior Biennia (Expenditures) \$1,223,000

Future Biennia (Projected Costs) \$0

TOTAL \$70,623,000

NEW SECTION. Sec. 5039. FOR THE UNIVERSITY OF WASHINGTON

College of Engineering Interdisciplinary/Education Research Center (30000492)

Appropriation:

University of Washington Building Account—State. \$4,000,000

Prior Biennia (Expenditures) \$600,000

Future Biennia (Projected Costs) \$45,000,000

TOTAL \$49,600,000

NEW SECTION. Sec. 5040. FOR THE UNIVERSITY OF WASHINGTON

2017-19 Minor Works - Preservation (30000736)

Reappropriation:

University of Washington Building Account—State. \$10,500,000

Prior Biennia (Expenditures) \$19,975,000

Future Biennia (Projected Costs) \$0

TOTAL \$30,475,000

NEW SECTION. Sec. 5041. FOR THE UNIVERSITY OF WASHINGTON

UW Major Infrastructure (30000808)

Reappropriation:

University of Washington Building Account—State. \$14,500,000

Appropriation:

University of Washington Building Account—State. \$15,000,000

Prior Biennia (Expenditures) \$3,000,000

Future Biennia (Projected Costs) \$22,000,000

TOTAL \$54,500,000

NEW SECTION. Sec. 5042. FOR THE UNIVERSITY OF WASHINGTON

Evans School - Parrington Hall Renovation (30000810)

Reappropriation:

State Building Construction Account—State \$8,000,000

Prior Biennia (Expenditures) \$2,000,000

Future Biennia (Projected Costs) \$0

TOTAL \$10,000,000

NEW SECTION. Sec. 5043. FOR THE UNIVERSITY OF WASHINGTON

2019-21 Minor Works - Preservation (40000004)

Appropriation:

University of Washington Building Account—State	\$43,466,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$141,864,000
TOTAL	\$185,330,000

NEW SECTION. Sec. 5044. FOR THE UNIVERSITY OF WASHINGTON

Behavioral Health Teaching Facility (40000038)

The appropriation in this section is subject to the following conditions and limitations:

(1)(a) The appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 1593 (behavioral health teaching facility). The appropriation provided may be used for predesign, siting, and design costs. If the bill is not enacted by June 30, 2019, the amount provided in this section shall lapse.

(b) The university must submit the predesign to the appropriate legislative committees by February 1, 2020.

(2) The behavioral health teaching facility must provide a minimum of fifty long-term civil commitment beds, fifty geriatric/voluntary psychiatric beds, and fifty licensed medical/surgery beds, with the capacity to treat patients with psychiatric diagnoses and/or substance use disorders. The project construction must also include construction of a 24/7 telehealth consultation program within the facility.

Appropriation:

State Building Construction Account—State	\$33,250,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$191,250,000
TOTAL	\$224,500,000

NEW SECTION. Sec. 5045. FOR THE UNIVERSITY OF WASHINGTON

Ctr for Advanced Materials and Clean Energy Research Test Beds (91000016)

Reappropriation:

State Building Construction Account—State	\$18,500,000
Prior Biennia (Expenditures)	\$10,500,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$29,000,000

NEW SECTION. Sec. 5046. FOR THE UNIVERSITY OF WASHINGTON

Preventive Facility Maintenance and Building System Repairs (91000024)

Appropriation:

University of Washington Building Account—State	\$25,825,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$25,825,000

NEW SECTION. Sec. 5047. FOR THE UNIVERSITY OF WASHINGTON

Behavioral Health Institute at Harborview Medical Center (910000025)

Appropriation:

State Building Construction Account—State	\$500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$500,000

NEW SECTION. Sec. 5048. FOR THE UNIVERSITY OF WASHINGTON

UW Tacoma Campus Soil Remediation (92000002)

Appropriation:

Model Toxics Control Capital Account—State	\$1,800,000
Prior Biennia (Expenditures)	\$6,124,000
Future Biennia (Projected Costs)	\$4,000,000
TOTAL	\$11,924,000

NEW SECTION. Sec. 5049. FOR THE WASHINGTON STATE UNIVERSITY

Washington State University Pullman - Plant Sciences Building (REC#5) (30000519)

Reappropriation:

State Building Construction Account—State	\$26,213,000
Prior Biennia (Expenditures)	\$32,887,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$59,100,000

NEW SECTION. Sec. 5050. FOR THE WASHINGTON STATE UNIVERSITY

Washington State University Tri-Cities - Academic Building (30001190)

Reappropriation:

State Building Construction Account—State	\$2,267,000
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Appropriation:

State Building Construction Account—State	\$27,000,000
Prior Biennia (Expenditures)	\$1,133,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$30,400,000

NEW SECTION. Sec. 5051. FOR THE WASHINGTON STATE UNIVERSITY

Global Animal Health Building (30001322)

Reappropriation:

State Building Construction Account—State	\$7,000,000
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Appropriation:

State Building Construction Account—State	\$36,400,000
Prior Biennia (Expenditures)	\$16,000,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$59,400,000

NEW SECTION. Sec. 5052. FOR THE WASHINGTON STATE UNIVERSITY

2017-19 Minor Works - Preservation (MCR) (30001342)

Reappropriation:

Washington State University Building Account—	
State	\$2,500,000
Prior Biennia (Expenditures)	\$19,795,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$22,295,000

NEW SECTION. Sec. 5053. FOR THE WASHINGTON STATE UNIVERSITY

Everett Real Estate Acquisition (40000006)

Appropriation:

Washington State University Building Account—State	\$10,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$10,000,000

NEW SECTION. Sec. 5054. FOR THE WASHINGTON STATE UNIVERSITY

Minor Capital Program (MCI&Omn Eqp): 2019-21 (40000010)

Appropriation:

Washington State University Building Account—	
State	\$5,328,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$20,000,000
TOTAL	\$25,328,000

NEW SECTION. Sec. 5055. FOR THE WASHINGTON STATE UNIVERSITY

Minor Capital Preservation (MCR): 2019-21 (40000011)

Appropriation:

Washington State University Building Account—	
State	\$21,400,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$85,600,000
TOTAL	\$107,000,000

NEW SECTION. Sec. 5056. FOR THE WASHINGTON STATE UNIVERSITY

Spokane-Biomedical and Health Sc Building Ph II (40000012)

Appropriation:

Washington State University Building Account—	
State	\$500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$83,600,000
TOTAL	\$84,100,000

NEW SECTION. Sec. 5057. FOR THE WASHINGTON STATE UNIVERSITY

Preventive Facility Maintenance and Building System Repairs (91000041)

Appropriation:

Washington State University Building Account—	
State	\$10,115,000
Prior Biennia (Expenditures)	\$0

Future Biennia (Projected Costs).....	\$0
TOTAL	\$10,115,000

NEW SECTION. Sec. 5058. FOR THE EASTERN WASHINGTON UNIVERSITY

Interdisciplinary Science Center (30000001)

Reappropriation:

State Building Construction Account—State	\$55,000,000
Prior Biennia (Expenditures).....	\$17,200,000
Future Biennia (Projected Costs).....	\$0
TOTAL	\$72,200,000

NEW SECTION. Sec. 5059. FOR THE EASTERN WASHINGTON UNIVERSITY

Science Renovation (30000507)

Appropriation:

State Building Construction Account—State	\$7,937,000
Prior Biennia (Expenditures).....	\$350,000
Future Biennia (Projected Costs).....	\$103,838,000
TOTAL	\$112,125,000

NEW SECTION. Sec. 5060. FOR THE EASTERN WASHINGTON UNIVERSITY

Engineering Building (30000556)

Reappropriation:

Eastern Washington University Capital Projects Account—State	\$245,000
Prior Biennia (Expenditures).....	\$100,000
Future Biennia (Projected Costs).....	\$56,695,000
TOTAL	\$57,040,000

NEW SECTION. Sec. 5061. FOR THE EASTERN WASHINGTON UNIVERSITY

Minor Works: Preservation 2019-21 (40000011)

Appropriation:

Eastern Washington University Capital Projects Account—State	\$6,500,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$26,000,000
TOTAL	\$32,500,000

NEW SECTION. Sec. 5062. FOR THE EASTERN WASHINGTON UNIVERSITY

Minor Works: Program 2019-21 (40000015)

Appropriation:

Eastern Washington University Capital Projects Account—State	\$2,500,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$10,000,000
TOTAL	\$12,500,000

NEW SECTION. Sec. 5063. FOR THE EASTERN WASHINGTON UNIVERSITY

Infrastructure Renewal II (40000016)

Appropriation:

State Building Construction Account—State	\$15,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$15,000,000

NEW SECTION. Sec. 5064. FOR THE EASTERN WASHINGTON UNIVERSITY

Preventative Maintenance/Backlog Reduction (40000017)

Appropriation:

Eastern Washington University Capital Projects	
Account—State	\$2,217,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,217,000

NEW SECTION. Sec. 5065. FOR THE EASTERN WASHINGTON UNIVERSITY

Albers Court Improvements (40000036)

Appropriation:

State Building Construction Account—State	\$4,953,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,953,000

NEW SECTION. Sec. 5066. FOR THE EASTERN WASHINGTON UNIVERSITY

Minor Works - Facility Preservation (91000019)

Reappropriation:

Eastern Washington University Capital Projects	
Account—State	\$3,000,000
Prior Biennia (Expenditures)	\$4,500,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$7,500,000

NEW SECTION. Sec. 5067. FOR THE EASTERN WASHINGTON UNIVERSITY

Minor Works - Program (91000021)

Reappropriation:

Eastern Washington University Capital Projects	
Account—State	\$1,500,000
Prior Biennia (Expenditures)	\$1,000,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,500,000

NEW SECTION. Sec. 5068. FOR THE CENTRAL WASHINGTON UNIVERSITY

Nutrition Science (30000456)

Reappropriation:

State Building Construction Account—State	\$21,550,000
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Appropriation:

State Building Construction Account—State	\$32,000,000
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Prior Biennia (Expenditures)	\$6,030,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$59,580,000

NEW SECTION. Sec. 5069. FOR THE CENTRAL WASHINGTON UNIVERSITY

Minor Works Preservation (30000783)

Reappropriation:

Central Washington University Capital Projects	
Account—State	\$500,000
Prior Biennia (Expenditures)	\$7,000,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$7,500,000

NEW SECTION. Sec. 5070. FOR THE CENTRAL WASHINGTON UNIVERSITY

Minor Works Program: 2019-21 (40000007)

Appropriation:

Central Washington University Capital Projects	
Account—State	\$1,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$4,000,000
TOTAL	\$5,000,000

NEW SECTION. Sec. 5071. FOR THE CENTRAL WASHINGTON UNIVERSITY

Health Education (40000009)

Appropriation:

State Building Construction Account—State	\$5,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$55,000,000
TOTAL	\$60,000,000

NEW SECTION. Sec. 5072. FOR THE CENTRAL WASHINGTON UNIVERSITY

Minor Works Preservation: 2019-21 (40000041)

Appropriation:

Central Washington University Capital Projects	
Account—State	\$7,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$28,000,000
TOTAL	\$35,000,000

NEW SECTION. Sec. 5073. FOR THE CENTRAL WASHINGTON UNIVERSITY

Preventive Facility Maintenance and Building System Repairs (91000018)

Appropriation:

Central Washington University Capital Projects	
Account—State	\$2,422,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,422,000

NEW SECTION. Sec. 5074. FOR THE EVERGREEN STATE COLLEGE

Lab I Seismic and HVAC Renovation (30000586)

Appropriation:

State Building Construction Account—State	\$4,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,000,000

NEW SECTION. Sec. 5075. FOR THE EVERGREEN STATE COLLEGE

Critical Power, Safety, and Security Systems (30000613)

Reappropriation:

State Building Construction Account—State	\$8,600,000
Prior Biennia (Expenditures)	\$1,900,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$10,500,000

NEW SECTION. Sec. 5076. FOR THE EVERGREEN STATE COLLEGE

Health and Counseling Center (30000614)

Reappropriation:

State Building Construction Account—State	\$400,000
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Appropriation:

State Building Construction Account—State	\$5,400,000
Prior Biennia (Expenditures)	\$100,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,900,000

NEW SECTION. Sec. 5077. FOR THE EVERGREEN STATE COLLEGE

Infrastructure Master Plan (40000021)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is provided solely for the development of an innovative integrated infrastructure master plan at The Evergreen State College. The plan must detail a capital improvement strategy to transition the Olympia campus legacy infrastructure to a world-class set of integrated systems that supply highly reliable and optimized services for power, heat, clean water, wastewater, storm water, and solid waste.

(2) The infrastructure master plan may be developed by a consultant team selected through a design competition between private sector construction management firms experienced in performance contracting with the following conditions:

(a) No more than four firms may be selected to compete, and no more than three honoraria may be awarded to the unsuccessful competitors; and

(b) Criteria for selecting the consultant team may include, but is not limited to, the ability to create a plan that is affordable; creates greater resiliency, adaptability, and continuous improvement; and greater environmental performance.

(5) Any improvements to infrastructure from the infrastructure master plan must be maintained and operated by the staff of The Evergreen State College.

Appropriation:

The Evergreen State College Capital Projects	
Account—State	\$500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$30,909,000
TOTAL	\$31,409,000

NEW SECTION. Sec. 5078. FOR THE EVERGREEN STATE COLLEGE

Facilities Preservation (91000010)

Reappropriation:

The Evergreen State College Capital Projects	
Account—State	\$1,100,000
Prior Biennia (Expenditures)	\$6,400,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$7,500,000

NEW SECTION. Sec. 5079. FOR THE EVERGREEN STATE COLLEGE

Historic Lord Mansion (91000029)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5016, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$100,000
Prior Biennia (Expenditures)	\$404,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$504,000

NEW SECTION. Sec. 5080. FOR THE EVERGREEN STATE COLLEGE

Minor Works—Preservation: 2019-21 (91000031)

Appropriation:

State Building Construction Account—State	\$1,000,000
The Evergreen State College Capital Projects	
Account—State	\$4,866,000
Subtotal Appropriation	\$5,866,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$24,000,000
TOTAL	\$29,866,000

NEW SECTION. Sec. 5081. FOR THE EVERGREEN STATE COLLEGE

Minor Works Program: 2019-21 (91000033)

Appropriation:

The Evergreen State College Capital Projects	
Account—State	\$1,500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$6,000,000

TOTAL \$7,500,000

NEW SECTION. Sec. 5082. FOR THE EVERGREEN STATE COLLEGE

Preventive Facility Maintenance and Building System Repairs (91000034)

Appropriation:

The Evergreen State College Capital Projects

Account—State \$880,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$880,000

NEW SECTION. Sec. 5083. FOR THE WESTERN WASHINGTON UNIVERSITY

Access Control Security Upgrades (30000604)

Reappropriation:

Western Washington University Capital Projects

Account—State \$750,000

Prior Biennia (Expenditures) \$750,000

Future Biennia (Projected Costs) \$0

TOTAL \$1,500,000

NEW SECTION. Sec. 5084. FOR THE WESTERN WASHINGTON UNIVERSITY

Sciences Building Addition & Renovation (30000768)

Reappropriation:

State Building Construction Account—State \$4,000,000

Appropriation:

State Building Construction Account—State \$60,000,000

Prior Biennia (Expenditures) \$2,000,000

Future Biennia (Projected Costs) \$0

TOTAL \$66,000,000

NEW SECTION. Sec. 5085. FOR THE WESTERN WASHINGTON UNIVERSITY

2017-19 Classroom & Lab Upgrades (30000769)

Reappropriation:

State Building Construction Account—State \$3,500,000

Western Washington University Capital Projects

Account—State \$450,000

Subtotal Reappropriation \$3,950,000

Prior Biennia (Expenditures) \$2,700,000

Future Biennia (Projected Costs) \$0

TOTAL \$6,650,000

NEW SECTION. Sec. 5086. FOR THE WESTERN WASHINGTON UNIVERSITY

Elevator Preservation Safety and ADA Upgrades (30000772)

Reappropriation:

State Building Construction Account—State \$1,800,000

Western Washington University Capital Projects

Account—State \$1,000,000

Subtotal Reappropriation \$2,800,000

Prior Biennia (Expenditures)	\$388,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,188,000

NEW SECTION. Sec. 5087. FOR THE WESTERN WASHINGTON UNIVERSITY

Minor Works - Preservation (30000781)

Reappropriation:

State Building Construction Account—State	\$1,100,000
Western Washington University Capital Projects Account—State	\$3,000,000
Subtotal Reappropriation	\$4,100,000
Prior Biennia (Expenditures)	\$2,079,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$6,179,000

NEW SECTION. Sec. 5088. FOR THE WESTERN WASHINGTON UNIVERSITY

2019-21 Classroom & Lab Upgrades (30000869)

Appropriation:

State Building Construction Account—State	\$2,500,000
Western Washington University Capital Projects Account—State	\$500,000
Subtotal Appropriation	\$3,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,000,000

NEW SECTION. Sec. 5089. FOR THE WESTERN WASHINGTON UNIVERSITY

Electrical Engineering/Computer Science Building (30000872)

The appropriation in this section is subject to the following conditions and limitations: The legislature intends to provide funding for both design and construction of this project in the 2021-2023 biennium. At least 10.0 percent of the total cost of this project must be paid from private funds.

Appropriation:

State Building Construction Account—State	\$2,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$46,000,000
TOTAL	\$48,000,000

NEW SECTION. Sec. 5090. FOR THE WESTERN WASHINGTON UNIVERSITY

Minor Works - Preservation: 2019-21 (30000873)

Appropriation:

Western Washington University Capital Projects Account—State	\$6,846,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$55,768,000
TOTAL	\$62,614,000

NEW SECTION. Sec. 5091. FOR THE WESTERN WASHINGTON UNIVERSITY

Minor Works - Program: 2019-21 (30000885)

Appropriation:

Western Washington University Capital Projects	
Account—State	\$1,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$31,136,000
TOTAL	\$32,136,000

NEW SECTION. Sec. 5092. FOR THE WESTERN WASHINGTON UNIVERSITY

Preventive Facility Maintenance and Building System Repairs (91000013)

Appropriation:

Western Washington University Capital Projects	
Account—State	\$3,614,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,614,000

NEW SECTION. Sec. 5093. FOR THE WASHINGTON STATE HISTORICAL SOCIETY

Washington Heritage Grants (30000237)

Reappropriation:

State Building Construction Account—State	\$643,000
Prior Biennia (Expenditures)	\$9,054,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$9,697,000

NEW SECTION. Sec. 5094. FOR THE WASHINGTON STATE HISTORICAL SOCIETY

Minor Works - Preservation (30000288)

Reappropriation:

State Building Construction Account—State	\$1,350,000
Prior Biennia (Expenditures)	\$2,150,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,500,000

NEW SECTION. Sec. 5095. FOR THE WASHINGTON STATE HISTORICAL SOCIETY

Heritage Capital Grants Projects (30000297)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5054, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$7,885,000
Prior Biennia (Expenditures)	\$1,101,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$8,986,000

NEW SECTION. Sec. 5096. FOR THE WASHINGTON STATE HISTORICAL SOCIETY

Strategic Facility Master Plan (40000004)

Reappropriation:

State Building Construction Account—State	\$42,000
Prior Biennia (Expenditures)	\$33,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$75,000

NEW SECTION. Sec. 5097. FOR THE WASHINGTON STATE HISTORICAL SOCIETY

Heritage Capital Grant Projects: 2019-21 (40000014)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is subject to the provisions of RCW 27.34.330.

(2) The appropriation is provided solely for the following list of projects:

Metro Parks Tacoma - W.W. Seymour Botanical	
Conservatory Rehab	\$773,000
Discover Your Northwest - Chittenden Locks Fish	
Ladder Viewing	\$382,000
Foss Waterway Seaport - Balfour Dock Building:	
Phase IIIIE	\$307,000
City of Tumwater, WA - Old Brewhouse Tower Rehab	\$513,000
Gig Harbor - Harbor History Museum - Fishing	
Vessel Shenandoah	\$100,000
City of Vancouver, Washington - Re-roof 3 Bldgs	
Officer's Row	\$150,000
NW School of Wooden Boatbuilding - Expanding Public	
Access	\$240,000
Kalispel Tribe - Restoration of Our Lady of	
Sorrows Church	\$33,000
KC Dept. of Natural Resources - Mukai Farmstead & Garden	
Preserv	\$600,000
City of Edmonds - Edmonds Museum (Carnegie Library	
Restoration)	\$74,000
Vancouver National Historic Reserve Trust - Renovate	
Providence	\$490,000
Washington Trust for Historic Preservation - Stimson-Green	
Mansion	\$100,000
Phinney Neighborhood Association - John B.	
Allen School	\$30,000
PNW Railroad Archive - Mounting rails.	\$47,000
City of Roslyn - Historic Community Center, Library,	
& City Hall	\$233,000
Quincy Valley Historical Society & Museum - Comm	
Heritage Barn	\$41,000
The NW Railway Museum - Puget Sound Electric Railway	
Interurban	\$229,000
The Cutter Theatre - 1912 Metaline Falls School	
Re-Roofing	\$26,000

Delridge Neighborhoods Dev Assoc - Structural improvements	\$299,000
Seattle City Light - Continue Georgetown Steam Plan	\$773,000
Skagit County Historical Society - Skagit City School Rehab	\$22,000
Mount Baker Theatre - Mount Baker Theatre Preservation	\$1,000,000
North Bay Historical Society - Sargent Oyster House Restoration	\$160,000
City of Lynnwood - Heritage Park Water Tower Phase II Renovation	\$124,000
Town of Waverly - Restoration of Prairie View Schoolhouse	\$55,000
City of Lacey - Renovating Lacey warehouse for new museum	\$979,000
Northwest Schooner Society - Restoration 1906 Keepers Quarters	\$82,000
Sammamish Heritage Society - Reard House Phase III: Reconstruct	\$123,000
Cheney Depot Society - Cheney Depot Relocation & Rehabilitation	\$367,000
The 5th Ave Theatre Assoc - Theatre Upgrade: Auditorium	\$560,000
Highline Historical Society - Phase 3: Highline Heritage Museum	\$71,000
University Place Historical Society - Curran House History Museum	\$41,000
Coupeville Maritime Heritage Foundation - Preserv of vessel Suva	\$71,000
Fort Worden Public Development Authority - Sage Arts & Ed Ctr	\$560,000
South Pierce County Historical Society - Eatonville Tofu House	\$15,000
City of Everett - Van Valley Home lead Abatement & Pres	\$67,000
Appropriation:	
State Building Construction Account—State	\$9,737,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$9,737,000

NEW SECTION. Sec. 5098. FOR THE WASHINGTON STATE HISTORICAL SOCIETY

Minor Works - Preservation: 2019-21 (40000086)

Appropriation:

State Building Construction Account—State	\$1,545,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$9,543,000
TOTAL	\$11,088,000

NEW SECTION. Sec. 5099. FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY

Minor Works - Preservation (40000001)

Reappropriation:

State Building Construction Account—State	\$332,000
Prior Biennia (Expenditures)	\$438,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$770,000

NEW SECTION. Sec. 5100. FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY

Campbell and Carriage House Repairs and Restoration (40000017)

Appropriation:

State Building Construction Account—State	\$1,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,000,000

NEW SECTION. Sec. 5101. FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY

Minor Works - Preservation: 2019-21 (40000026)

Appropriation:

State Building Construction Account—State	\$800,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$3,200,000
TOTAL	\$4,000,000

NEW SECTION. Sec. 5102. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Tacoma Community College: Health Careers Center (20082701)

Reappropriation:

State Building Construction Account—State	\$14,000
Prior Biennia (Expenditures)	\$34,447,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$34,461,000

NEW SECTION. Sec. 5103. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Yakima Valley Community College: Palmer Martin Building (30000121)

Reappropriation:

State Building Construction Account—State	\$953,000
Prior Biennia (Expenditures)	\$19,287,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$20,240,000

NEW SECTION. Sec. 5104. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Olympic College: College Instruction Center (30000122)

Reappropriation:

State Building Construction Account—State	\$1,737,000
Prior Biennia (Expenditures)	\$48,403,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$50,140,000

NEW SECTION. Sec. 5105. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Centralia Community College: Student Services (30000123)

Reappropriation:

State Building Construction Account—State	\$276,000
Prior Biennia (Expenditures)	\$34,330,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$34,606,000

NEW SECTION. Sec. 5106. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Peninsula College: Allied Health and Early Childhood Dev Center (30000126)

Reappropriation:

State Building Construction Account—State	\$433,000
Prior Biennia (Expenditures)	\$25,167,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$25,600,000

NEW SECTION. Sec. 5107. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Grays Harbor College: Student Services and Instructional Building (30000127)

Reappropriation:

State Building Construction Account—State	\$3,480,000
Prior Biennia (Expenditures)	\$671,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,151,000

NEW SECTION. Sec. 5108. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

South Seattle Community College: Cascade Court (30000128)

Reappropriation:

State Building Construction Account—State	\$441,000
Prior Biennia (Expenditures)	\$29,877,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$30,318,000

NEW SECTION. Sec. 5109. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

North Seattle Community College: Technology Building Renewal (30000129)

Reappropriation:

State Building Construction Account—State	\$569,000
Prior Biennia (Expenditures)	\$24,847,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$25,416,000

NEW SECTION. Sec. 5110. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Clark College: North County Satellite (30000135)

Reappropriation:

State Building Construction Account—State	\$5,494,000
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Prior Biennia (Expenditures)	\$194,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,688,000

NEW SECTION. Sec. 5111. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Everett Community College: Learning Resource Center (30000136)

Reappropriation:

State Building Construction Account—State	\$3,835,000
Prior Biennia (Expenditures)	\$180,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,015,000

NEW SECTION. Sec. 5112. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Edmonds Community College: Science, Engineering, Technology Bldg (30000137)

Reappropriation:

State Building Construction Account—State	\$34,809,000
Prior Biennia (Expenditures)	\$12,268,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$47,077,000

NEW SECTION. Sec. 5113. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Whatcom Community College: Learning Commons (30000138)

Reappropriation:

State Building Construction Account—State	\$27,244,000
Prior Biennia (Expenditures)	\$9,530,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$36,774,000

NEW SECTION. Sec. 5114. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Big Bend: Professional-Technical Education Center (30000981)

Reappropriation:

State Building Construction Account—State	\$24,056,000
Prior Biennia (Expenditures)	\$13,330,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$37,386,000

NEW SECTION. Sec. 5115. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Spokane: Main Building South Wing Renovation (30000982)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5025, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—State	\$14,119,000
Prior Biennia (Expenditures)	\$14,387,000
Future Biennia (Projected Costs)	\$0

TOTAL \$28,506,000

NEW SECTION. Sec. 5116. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Highline: Health and Life Sciences (30000983)

Reappropriation:

State Building Construction Account—State \$17,490,000
Prior Biennia (Expenditures) \$9,663,000
Future Biennia (Projected Costs) \$0
TOTAL \$27,153,000

NEW SECTION. Sec. 5117. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Wenatchee Valley: Wells Hall Replacement (30000985)

Reappropriation:

State Building Construction Account—State \$2,208,000

Appropriation:

State Building Construction Account—State \$29,531,000
Prior Biennia (Expenditures) \$632,000
Future Biennia (Projected Costs) \$0
TOTAL \$32,371,000

NEW SECTION. Sec. 5118. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Olympic: Shop Building Renovation (30000986)

Reappropriation:

State Building Construction Account—State \$948,000

Appropriation:

State Building Construction Account—State \$7,652,000
Prior Biennia (Expenditures) \$5,000
Future Biennia (Projected Costs) \$0
TOTAL \$8,605,000

NEW SECTION. Sec. 5119. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Pierce Fort Steilacoom: Cascade Building Renovation - Phase 3 (30000987)

Reappropriation:

State Building Construction Account—State \$3,278,000

Appropriation:

State Building Construction Account—State \$31,592,000
Prior Biennia (Expenditures) \$230,000
Future Biennia (Projected Costs) \$0
TOTAL \$35,100,000

NEW SECTION. Sec. 5120. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

South Seattle: Automotive Technology Renovation and Expansion (30000988)

Reappropriation:

State Building Construction Account—State \$1,782,000

Appropriation:

State Building Construction Account—State \$23,376,000
Prior Biennia (Expenditures) \$719,000

Future Biennia (Projected Costs).....	\$0
TOTAL	\$25,877,000

NEW SECTION. Sec. 5121. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Bates: Medical Mile Health Science Center (30000989)

Reappropriation:

State Building Construction Account—State	\$2,933,000
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Appropriation:

State Building Construction Account—State	\$40,828,000
Prior Biennia (Expenditures).....	\$305,000
Future Biennia (Projected Costs).....	\$0
TOTAL	\$44,066,000

NEW SECTION. Sec. 5122. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Shoreline: Allied Health, Science & Manufacturing Replacement (30000990)

Reappropriation:

State Building Construction Account—State	\$2,902,000
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Appropriation:

State Building Construction Account—State	\$36,642,000
Prior Biennia (Expenditures).....	\$690,000
Future Biennia (Projected Costs).....	\$0
TOTAL	\$40,234,000

NEW SECTION. Sec. 5123. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

North Seattle Library Building Renovation (30001451)

Reappropriation:

State Building Construction Account—State	\$3,419,000
Prior Biennia (Expenditures).....	\$29,000
Future Biennia (Projected Costs).....	\$0
TOTAL	\$3,448,000

NEW SECTION. Sec. 5124. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Walla Walla Science and Technology Building Replacement (30001452)

Reappropriation:

State Building Construction Account—State	\$1,093,000
Prior Biennia (Expenditures).....	\$63,000
Future Biennia (Projected Costs).....	\$0
TOTAL	\$1,156,000

NEW SECTION. Sec. 5125. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Cascadia Center for Science and Technology (30001453)

Reappropriation:

State Building Construction Account—State	\$165,000
Prior Biennia (Expenditures).....	\$131,000
Future Biennia (Projected Costs).....	\$0
TOTAL	\$296,000

NEW SECTION. Sec. 5126. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Spokane Falls: Fine and Applied Arts Replacement (30001458)

Reappropriation:

State Building Construction Account—State	\$2,616,000
Prior Biennia (Expenditures)	\$211,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,827,000

NEW SECTION. Sec. 5127. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Preventive Facility Maintenance and Building System Repairs (40000043)

Appropriation:

Community and Technical College Capital	
Projects Account—State	\$22,800,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$22,800,000

NEW SECTION. Sec. 5128. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Lake Washington: Center for Design (40000102)

Appropriation:

State Building Construction Account—State	\$3,160,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$31,308,000
TOTAL	\$34,468,000

NEW SECTION. Sec. 5129. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Olympic Innovation and Technology Learning Center (40000103)

Appropriation:

State Building Construction Account—State	\$2,552,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$21,703,000
TOTAL	\$24,255,000

NEW SECTION. Sec. 5130. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Minor Works - Program (40000112)

Appropriation:

State Building Construction Account—State	\$39,841,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$39,841,000

NEW SECTION. Sec. 5131. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Bates: Fire Service Training Center (40000130)

Appropriation:

State Building Construction Account—State	\$2,802,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$30,000,000

TOTAL \$32,802,000

NEW SECTION. Sec. 5132. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Bellevue: Center for Transdisciplinary Learning and Innovation (40000168)

Appropriation:

State Building Construction Account—State \$2,839,000

Prior Biennia (Expenditures)..... \$0

Future Biennia (Projected Costs)..... \$38,476,000

TOTAL \$41,315,000

NEW SECTION. Sec. 5133. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Facility Repairs (40000169)

Appropriation:

State Building Construction Account—State \$32,318,000

Community and Technical College Capital

Projects Account—State \$6,209,000

Subtotal Appropriation \$38,527,000

Prior Biennia (Expenditures)..... \$0

Future Biennia (Projected Costs)..... \$0

TOTAL \$38,527,000

NEW SECTION. Sec. 5134. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Roof Repairs (40000171)

Appropriation:

Community and Technical College Capital

Projects Account—State \$15,252,000

Prior Biennia (Expenditures)..... \$0

Future Biennia (Projected Costs)..... \$0

TOTAL \$15,252,000

NEW SECTION. Sec. 5135. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Site Repairs (40000173)

Appropriation:

State Building Construction Account—State \$3,310,000

Prior Biennia (Expenditures)..... \$0

Future Biennia (Projected Costs)..... \$0

TOTAL \$3,310,000

NEW SECTION. Sec. 5136. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Minor Works - Preservation (40000258)

Appropriation:

Community and Technical College Capital

Projects Account—State \$23,739,000

Prior Biennia (Expenditures)..... \$0

Future Biennia (Projected Costs)..... \$0

TOTAL \$23,739,000

NEW SECTION. Sec. 5137. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Pierce Puyallup: STEM building (40000293)

Appropriation:

State Building Construction Account—State	\$3,369,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$37,230,000
TOTAL	\$40,599,000

NEW SECTION. Sec. 5138. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

2019-21 Career Preparation and Launch Equipment Grants (40000306)

The appropriation in this section is subject to the following conditions and limitations:

(1) This appropriation is provided solely for the state board for community and technical colleges to provide competitive grants to community and technical colleges to purchase and install equipment that expands career-connected learning opportunities.

(2) The state board for community and technical colleges shall develop common criteria for providing competitive grant funding and outcomes for specific projects.

Appropriation:

State Building Construction Account—State	\$5,000,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL	\$5,000,000

NEW SECTION. Sec. 5139. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Seattle Central College: Suite 140 Medical Assistant Tenant Improvements (91000432)

The appropriations in this section are subject to the following conditions and limitations: The appropriation in this section is provided solely for tenant improvements for suite 140 for the medical assistant program at Seattle Central College.

Appropriation:

State Building Construction Account—State	\$200,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL	\$200,000

PART 6

2019 SUPPLEMENTAL CAPITAL BUDGET

Sec. 6001. 2018 c 2 s 1010 (uncodified) is amended to read as follows:
FOR THE DEPARTMENT OF COMMERCE

Public Works Assistance Account Construction Loans (30000878)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the following list of public works projects:

180th St SE SR 527 Brook Blvd (Snohomish)	\$3,000,000
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35th Ave SE Phase II SR 524 to 180th St SE (Snohomish)	\$3,000,000
61st/190th Culvert Replacement & Embankment Repair (Kenmore).	\$1,500,000
Automated Meter Reading System (Birch Bay)	\$1,500,000
Cedar Hills Regional Landfill North Flare Statn Repair (King)	\$1,583,000
Cedar Hills Regional Landfill Pump Station Repairs (King)	\$3,000,000
City Street Light Conversion to Light Emitting Diode (Vancouver)	\$4,816,000
Fairview Ave N Bridge Replacement (Seattle)	\$10,000,000
Georgetown Wet Weather Treatment Station (King)	\$3,500,000
((Isaacs Avenue Improvements—Phase 2 (Walla Walla)	\$3,962,000))
Kennewick Automated Meter Reading Project (Kennewick)	\$6,000,000
((Landslide Repairs (Aberdeen).	\$373,000))
McKinnon Creek Wellfield Infrastructure Improvements (Lake Forest).	\$200,000
Miller Street Re-Alignment and Storm Repairs (Wenatchee)	\$4,826,000
((NE 10th Avenue (Clark)	\$10,000,000))
Ostrich Creek Culvert Improvements (Bremerton).	\$4,688,000
Pine Basin Watershed Storm Sewer Improvements (Bremerton)	\$3,881,000
((Slater Road/Jordan Creek Fish Passage Project (Whateom)	\$5,000,000))
South Fork McCorkle Creek Stormwater Detention Facility (Lexington)	\$4,700,000
Sudbury Landfill Area 7 Cell 3 Construction (Walla Walla)	\$2,978,000
Sunset Reservoir Rehabilitation (Spokane)	\$1,412,000
Thurston Co. PUD No. 1 Replacement and Upgrades (Thurston).	(\$1,028,000)) <u>\$480,000</u>
Tipping Floor Restoration & Safety Upgrades (Lincoln)	\$156,000
US 395/Ridgeline Interchange (Kennewick).	\$6,000,000
Wastewater Reuse Project (Quincy)	\$10,000,000
Appropriation:	
State Taxable Building Construction Account—State.	(\$97,103,000))
	<u>\$77,220,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	(\$97,103,000))
	<u>\$77,220,000</u>

Sec. 6002. 2018 c 2 s 1019 (uncodified) is amended to read as follows:
FOR THE DEPARTMENT OF COMMERCE
 PWAA Preconstruction and Emergency Loan Programs (40000009)

The appropriation in this section is subject to the following conditions and limitations:

(1) \$5,000,000 is (~~provided solely~~) for the public works board's emergency loan program.

(2) \$14,000,000 is (~~provided solely~~) for the public works board's preconstruction loan program.

Appropriation:

State Taxable Building Construction Account—State.	\$19,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$19,000,000

Sec. 6003. 2018 c 298 s 1004 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

2018 Local and Community Projects (40000005)

The appropriations in this section are subject to the following conditions and limitations:

(1) The department shall not expend the appropriations in this section unless and until the nonstate share of project costs have been either expended or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by the legislature. This requirement does not apply to projects where a share of the appropriation is for design costs only.

(2) Prior to receiving funds, project recipients must demonstrate that the project site is under control for a minimum of ten years, either through ownership or a long-term lease. This requirement does not apply to appropriations for preconstruction activities or appropriations in which the sole purpose is to purchase real property that does not include a construction or renovation component.

(3) Projects funded in this section may be required to comply with Washington's high performance building standards as required by chapter 39.35D RCW.

(4) Project funds are available on a reimbursement basis only, and shall not be advanced under any circumstances.

(5) In contracts for grants authorized under this section the department shall include provisions which require that capital improvements be held by the grantee for a specified period of time appropriate to the amount of the grant and that facilities be used for the express purpose of the grant. If the grantee is found to be out of compliance with provisions of the contract, the grantee shall repay to the state general fund the principal amount of the grant plus interest calculated at the rate of interest on state of Washington general obligation bonds issued most closely to the date of authorization of the grant.

(6) Projects funded in this section, including those that are owned and operated by nonprofit organizations, are generally required to pay state prevailing wages.

(7) The appropriation is provided solely for the following list of projects:

Aberdeen Gateway Center (Aberdeen)	\$1,750,000
Adams County Industrial Wastewater and Treatment Center (Othello)	\$1,250,000

Adna Elementary Playshed (Chehalis)	\$104,000
Airway Heights Recreation Complex (Airway Heights).....	\$515,000
Alder Creek Pioneer Museum Expansion (Bickelton)	\$500,000
Anderson Island Historical Society (Anderson Island)	\$26,000
Appleway Trail Amenities (Spokane Valley)	\$556,000
ARC Community Center Renovation (Bremerton).....	\$81,000
Arlington Pocket Park Downtown Business District (Arlington)	\$46,000
Asia Pacific Cultural Center Design and Preconstruction (Tacoma).....	\$250,000
Belfair Sewer Extension to Puget Sound Industrial Ctr (Belfair)	\$515,000
Billy Frank Jr. Heritage Center (Olympia)	\$206,000
Bloodworks NW Bloodmobiles.....	\$425,000
Bothell Parks Projects (Bothell)	\$309,000
Bridgeview Education and Employment Resource Center (Vancouver)	\$500,000
Brier ADA Ramp Updates Phase (Brier).....	\$115,000
Camp Schechter New Infrastructure and Dining Hall (Tumwater).....	\$200,000
Capitol Campus E. WA Butte (Olympia).....	\$52,000
Captain Joseph House (Port Angeles)	\$225,000
Carnation Central Business District Revitalization (Carnation)	\$1,545,000
Castle Rock Fair LED Lighting (Castle Rock)	\$10,000
<u>Centennial Connect Project (Marysville)</u>	<u>\$642,000</u>
Centennial Trail - Southern Extension #1 (Snohomish)	\$1,000,000
Centerville Grange Renovation (Centerville)	\$134,000
Centralia Fox Theatre Restoration (Centralia).....	\$299,000
Chamber Economic Development Project (Federal Way).....	\$250,000
Chelan County Emergency Operations Center (Wenatchee)....	\$1,000,000
Chelatchie Prairie Railroad Maintenance Bldg. Phase 2 (Yacolt)	\$250,000
Cherry St. Fellowship (Seattle)	\$360,000
Children's Playgarden (Seattle)	\$315,000
Chimacum Ridge Forest Pilot (Port Townsend)	\$3,400,000
City of Brewster Manganese Abatement (Brewster).....	\$752,000
Cityview Conversion to Residential Treatment (Moses Lake)	\$250,000
Clark County Historical Museum (Vancouver).....	\$300,000
Clymer Museum and Gallery Remodel (Ellensburg)	\$258,000
Coastal Harvest Roof Replacement (Hoquiam).....	\$206,000
Cocoon House (Everett).....	\$1,000,000
College Place Well Consolidation and Replacement (College Place).....	\$900,000
Columbia River Trail (Washougal)	\$1,000,000
Confluence Park Improvements (P2&3) (Issaquah)	\$206,000
Country Doctor Community Health Centers (Seattle).....	\$280,000
Covington Town Center Civic Plaza Development	

(Covington)	\$820,000
Cross Park (Puyallup)	\$1,500,000
Daffodil Heritage Float Barn (Puyallup)	\$103,000
Darrington Rodeo Grounds (Darrington)	\$250,000
Des Moines Marina Bulkhead & Fishing Pier Renovation (Des Moines)	\$2,000,000
Disaster Response Communications Project (Colville)	\$1,000,000
District 5 Public Safety Center (Sultan)	\$1,500,000
Downtown Pocket Park at Rockwell (Port Orchard)	\$309,000
DuPont Historical Museum Renovation HVAC (DuPont)	\$53,000
East Grays Harbor Fiber Project (Elma)	\$463,000
East Hill YMCA/Park Renovation (Kent)	\$1,000,000
Eastside Community Center (Tacoma)	\$2,550,000
Ebey Waterfront Trail and Shoreline Access (Marysville)	\$1,000,000
Emmanuel Life Center Kitchen (Spokane)	\$155,000
Ethiopian Community Affordable Senior Housing (Seattle)	\$400,000
Evergreen Pool Resurfacing (White Center)	\$247,000
Fall City Wastewater Infrastructure Planning & Design (Fall City)	\$1,000,000
Family Medicine Remodel (Goldendale)	\$195,000
Federal Way Camera Replacement (Federal Way)	\$250,000
Federal Way Senior Center (Federal Way)	\$175,000
Flood Protection Wall & Storage Building (Sultan)	\$286,000
Food Lifeline Food Bank	\$1,250,000
Forestry Museum Building (Tenino)	\$16,000
Fox Island Catastrophic Emergency Preparation (Fox Island)	\$17,000
Francis Anderson Center Roofing Project (Edmonds)	\$391,000
Freeland Water and Sewer District Sewer Project (Freeland)	\$1,500,000
FUSION Transitional Hse Pgm/FUSION Decor Boutique (Federal Way)	\$500,000
Gig Harbor Sports Complex (Gig Harbor)	\$206,000
Granger Historical Society Museum Acquisition (Granger)	\$255,000
Greater Maple Valley Veterans Memorial Foundation (Maple Valley)	\$258,000
GreenBridge/4th Ave Streetscaping (White Center)	\$1,195,000
Harmony Sports Complex Infrastructure & Safety Imprve (Vancouver)	\$1,177,000
Harrington School District #204, Pool Renovation (Harrington)	\$97,000
Historic Mukai Farm and Garden Restoration (Vashon)	\$250,000
Holly Ridge Center Building (Bremerton)	\$475,000
Honor Point Military and Aerospace Museum (Spokane)	\$100,000
HopeWorks TOD Center (Everett)	\$2,760,000
Hoquiam Library (Hoquiam)	\$250,000
HUB Sports Center (Liberty Lake)	\$516,000

Industrial Park No. 5 Road Improvements (George)	\$412,000
Industrial Park No. 5 Water System Improvements (George)	\$700,000
Inland Northwest Rail Museum (Reardan)	\$170,000
Innovative Health Care Learning Center (Yakima)	\$1,000,000
Interbay PDAC (Seattle)	\$900,000
Intrepid Spirit Center (Tacoma)	\$1,000,000
Islandwood Comm Dining Hall and Kitchen (Bainbridge Island)	\$200,000
Kenmore Public Boathouse (Kenmore)	\$250,000
Key Peninsula Civic Center Generator (Vaughn)	\$60,000
Key Peninsula Elder Community (Lakebay)	\$515,000
Kitchen Upgrade Belfair Senior Center Meals on Wheels (Belfair)	\$12,000
Kitsap Reg. Library Foundation, Silverdale Library (Silverdale)	\$250,000
Kona Kai Coffee Training Center (Tukwila)	\$407,000
La Conner New Regional Library (La Conner)	\$500,000
Lacey Boys and Girls Club (Lacey)	\$30,000
Lake Chelan Community Hospital & Clinic Replacement (Chelan)	\$300,000
Lake City Comm Center, Renovate Magnuson Comm Center (Seattle)	\$2,000,000
Lake Stevens Civic Center (Lake Stevens)	\$3,100,000
Lake Stevens Food Bank (Lake Stevens)	\$300,000
Lake Sylvia State Park Legacy Pavilion (Montesano)	\$696,000
Lake Tye All-Weather Fields (Monroe)	\$800,000
Lakewood Playhouse Lighting System Upgrade (Lakewood)	\$60,000
Lambert House Purchase (Seattle)	\$500,000
Larson Playfield Lighting Renovation (Moses Lake)	\$146,000
Lewis Co Fire Dist #1 Emergency Svcs Bldg & Resrce Ctr (Onalaska)	\$80,000
LIGO STEM Exploration Center (Richland)	\$411,000
Longbranch Marina (Longbranch)	\$248,000
Longview Police Department Range and Training (Castle Rock)	\$271,000
Lyon Creek, SR 104 Fish Barrier Removal (Lake Forest Park)	\$1,200,000
Maury Island Open Space Remediation (Maury Island)	\$2,000,000
McChord Airfield North Clear Zone (Lakewood)	\$2,000,000
Mill Creek Flood Control Project (Kent)	\$2,000,000
Millionair Club Charity Kitchen (Seattle)	\$167,000
Moorlands Park Improvements (Kenmore)	\$250,000
Morrow Manor (Poulsbo)	\$773,000
Mount Baker Properties Cleanup Site (Seattle)	\$1,100,000
Mount Rainier Early Warning System (Pierce County)	\$1,751,000
Mukilteo Tank Farm Remediation (Mukilteo)	\$257,000
Multicultural Community Center (Seattle)	\$1,300,000
NE Snohomish County Community Services Campus	

(Granite Falls)	\$375,000
NeighborCare Health (Vashon)	\$3,000,000
New Fire Station at Lake Lawrence (Yelm)	\$252,000
North Cove Erosion Control (South Bend)	\$650,000
Northshore Athletic Fields (Woodinville)	\$400,000
Northwest Improvement Company Building (Roslyn)	\$1,000,000
Olmstead-Smith Historical Gardens Replacement Well (Ellensburg)	\$17,000
Orting's Pedestrian Evacuation Crossing SR162 (Orting)	\$500,000
Othello Regional Water Project (Othello)	\$1,000,000
Paradise Point Water Supply System Phase IV (Ridgefield)	\$500,000
Pepin Creek Realignment (Lynden)	\$3,035,000
Performing Arts & Events Center (Federal Way)	\$1,000,000
Pioneer Village ADA Accessible Pathways (Ferndale)	\$154,000
Port Ilwaco/Port Chinook Marina Mtce Drdg & Matl Disps (Chinook)	\$77,000
Port Orchard Marina Breakwater Refurbishment (Port Orchard)	\$1,019,000
Poulsbo Outdoor Salmon Observation Area (Poulsbo)	\$475,000
Puyallup Meeker Mansion Public Plaza (Puyallup)	\$500,000
Quincy Square on 4th (Bremerton)	\$250,000
R.A. Long Park (Longview)	\$296,000
Redondo Beach Rocky Reef (Des Moines)	\$500,000
Ridgefield Outdoor Recreation Complex (Ridgefield)	\$750,000
Rochester Boys & Girls Club upgrades (Rochester)	\$26,000
Save the Old Tower (Pasco)	\$300,000
Schilling Road Fire Station (Lyle)	\$448,000
Scott Hill Park (Woodland)	\$750,000
Seattle Aquarium (Seattle)	\$400,000
Seattle Indian Health Board (Seattle)	\$200,000
Seattle Opera (Seattle)	\$465,000
Shelton Basin 3 Sewer Rehabilitation Project (Shelton)	\$1,500,000
Skagit Co Public Safety Emgcy Commun Ctr Exp/Remodel (Mt. Vernon)	\$525,000
Skagit County Veterans Community Park (Sedro-Woolley)	\$500,000
Skagit Valley YMCA (Mt. Vernon)	\$400,000
Snohomish JROTC Program (Snohomish)	\$189,000
South Gorge Trail (Spokane)	\$250,000
South Snohomish County Community Resource Center (Lynnwood)	\$2,210,000
South Thurston County Meals on Wheels Kitchen Upgrade (Yelm)	\$30,000
Southwest WA Agricultural Business Park (Tenino)	\$618,000
Southwest Washington Fair Grange Building Re-Roof (Chehalis)	\$54,000
Spanaway Lake Management Plan (Spanaway)	\$26,000
Squalicum Waterway Maintenance Dredging (Bellingham)	\$750,000
Steilacoom Historical Museum Storage Building	

(Steilacoom)	\$31,000
Sunnyside Community Hospital (Sunnyside)	\$2,000,000
Sunset Career Center (Renton)	\$412,000
Sunset Neighborhood Park (Renton)	\$3,050,000
Tacoma's Historic Theater District (Tacoma)	\$1,000,000
Tam O'Shanter Athletic Arena (Kelso)	\$1,000,000
Toledo Beautification (Toledo)	\$52,000
Trout Lake School/Community Soccer & Track Facility (Trout Lake)	\$77,000
Tumwater Boys and Girls Club (Olympia)	\$36,000
Turning Pointe Domestic Violence Svc: Shelter Imprv/Rep (Shelton)	\$27,000
Twisp Civic Building (Twisp)	\$750,000
University YMCA (Seattle)	\$600,000
Veterans Memorial Museum (Chehalis)	\$354,000
Washington Agricultural Education Center (Lynden)	\$1,800,000
Washington Care Services (Seattle)	\$400,000
Washington State Horse Park Covered Arena (Cle Elum)	\$2,000,000
Waste Treatment and Sewer Collection System (Toppenish)	\$1,405,000
Wastewater Collection & Water Distribution Replacemnt (Carbonado)	\$1,500,000
Water Treatment for Kidney Dialysis	\$499,000
Wayne Golf Course Region Park (Bothell)	\$1,000,000
Wesley Homes Bradley Park (Puyallup)	\$1,380,000
Westport Marina (Westport)	\$2,500,000
Weyerhaeuser Land Preservation (Federal Way)	(\$750,000) <u>\$1,250,000</u>
Whidbey Island Youth Project (Oak Harbor and Coupeville)	\$300,000
White Pass Country Historical Museum (Packwood)	\$283,000
Whitehouse Additional Capital Campaign (Pasco)	\$1,500,000
Willows Road Regional Trail Connection (Kirkland)	\$1,442,000
Winlock HS Track (Winlock)	\$103,000
Winlock Industrial Infrastructure Development (Winlock)	\$1,500,000
Wishram School CTE Facility (Wishram)	\$150,000
Yakima Valley SunDome Repairs (Yakima)	\$206,000
Yelm City Park Playground Modernization (Yelm)	\$247,000
Youth Eastside Services (Bellevue)	\$26,000
YWCA Family Justice Center (Spokane)	\$103,000

(8) \$26,000 of the appropriation in this section is provided solely for implementation of the Spanaway lake management plan.

(9) ~~(\$750,000)~~ \$1,250,000 of the appropriation in this section is provided solely for the planning, development, acquisition, and other activities pursuing open space conservation strategies for the historic Federal Way Weyerhaeuser campus. The grant recipient must be a regional nonprofit nature conservancy that works to conserve keystone properties selected by the city of Federal Way.

(10)(a) \$900,000 of the appropriation in this section is provided solely for an Interbay public development advisory committee. It is the intent of the legislature to examine current and future needs of a state entity that performs an essential public function on state-owned property located in one of the state's designated manufacturing industrial centers. The legislature further intends to explore the potential future uses of this state-owned property in the event that the state entity determines that it must relocate in order to protect its ability to perform its essential public function.

(b) The Interbay public development advisory committee is created to make recommendations regarding the highest public benefit and future economic development uses for the Washington army national guard armory facility in the city of Seattle, pier 91 property, located at the descriptions referred to in the quit claim deeds for two parcels of land, 24.75 acres total, dated January 8, 1971, and December 22, 2009.

(c) The Interbay advisory committee consists of seven persons appointed as follows:

(i) One person appointed by the speaker of the house of representatives;

(ii) One person appointed by the president of the senate; and

(iii) Five persons appointed by the governor, who must collectively have experience in forming public-private partnerships to develop workforce housing or affordable housing; knowledge of project financing options for public-private partnerships related to housing; architectural design and development experience related to industrial lands and mixed-use zoning to include housing; and experience leading public processes to engage communities and other stakeholders in public discussions regarding economic development decisions.

(d) The Interbay public development advisory committee must:

(i) Work in collaboration with the military department to determine the needs of the military department if it is relocated from the land described in subsection (1) of this section, including identifying:

(A) Current uses;

(B) Future needs of the units currently at this location;

(C) Potential suitable publicly owned sites in Washington for relocation of current units; and

(D) The costs associated with acquisition, construction, and relocation to another site or sites for these units;

(ii) Explore the future economic development opportunities if the land described in subsection (1) of this section is vacated by the military department, and make recommendations, including identifying:

(A) Suitable and unsuitable future uses for the land;

(B) Environmental issues and associated costs;

(C) Current public infrastructure availability, future public infrastructure plans by local or regional entities, and potential public infrastructure needs;

(D) Transportation corridors in the immediate area and any potential right-of-way needs; and

(E) Existing zoning regulations for the land and potential future zoning needs to evaluate workforce housing, affordable housing, and other commercial and industrial development compatible with the Ballard-Interbay manufacturing industrial center designation;

(iii) Explore the potential funding sources and partners as well as any needed transactions, and make recommendations, including:

- (A) Any potential private partners or investors;
- (B) Necessary real estate transactions;
- (C) Federal funding opportunities; and
- (D) State and local funding sources, including any tax-related programs; and

(iv) Conduct at least three public meetings at a location within the Ballard-Interbay manufacturing industrial center, where a quorum of the Interbay public development advisory committee members are present, at which members of the public are invited to present to the Interbay advisory committee regarding the future uses of the site and potential issues such as industrial land use, commercial development, residential zoning, and public infrastructure needs(~~;~~ and

~~(v) Provide a report to the legislature and office of the governor with recommendations for each area described in this subsection (10)(d) by June 29, 2019. The Interbay advisory committee's recommendations must include recommendations regarding the structure, composition, and scope of authority of any subsequent state public development authority that may be established to implement the recommendations of the Interbay advisory committee created in this section)).~~

~~(e) ((The Interbay advisory committee created in this section terminates June 30, 2019.~~

~~(f))~~ (f) Nothing in this section authorizes the solicitation of interest or bids for work related to the purposes of this section.

~~((g))~~ (f) The department of commerce shall provide staff support to the Interbay advisory committee. The department may contract with outside consultants to provide any needed expertise.

~~((h))~~ (g) Legislative members of the Interbay advisory committee are reimbursed for travel in accordance with RCW 44.04.120. Nonlegislative members are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW.

(11) \$2,000,000 of the appropriation in this section is provided solely to the city of Lakewood for the purchase of property within the federally designated north clear zone at joint base Lewis-McChord. Once acquired, the property must be zoned for use compatible with the mission and activity of McChord airfield. The city may lease or resell the acquired property for fair market value, but any such lease or sale must include restrictions or covenants ensuring that the use of the property is safely compatible with the mission and activity of McChord airfield. If the city subsequently resells, rezones, develops, or leases the property for commercial or industrial uses contrary to the allowed uses in the north clear zone, the city must repay to the state the amount spent on the purchase of the property in its entirety within ten years.

(12) \$250,000 of the appropriation in this section is provided solely for a grant to the Federal Way chamber of commerce for two economic development projects focused in the south Puget Sound area. The amounts in this section must be used for a business retention and expansion program to conduct economic research in collaboration with stakeholders, develop data-driven economic

strategies, and produce a written evaluation; and a tourism enhancement program to develop and inventory the Federal Way area tourism sector, analyze data regarding visitation, and produce a written evaluation.

(13) \$400,000 of the appropriation in this section is provided solely for the Northshore athletic field which shall be named "Andy Hill Sports Complex."

(14) \$1,177,000 of the appropriation in this section is provided solely for the Harmony sports complex infrastructure and safety improvements in Vancouver and is contingent upon the facility being open to the public.

(15) \$250,000 of the appropriation in this section is provided solely for the Asia Pacific cultural center in Tacoma. It is the intent of the legislature that beyond the 2017-2019 fiscal biennium no state funding is provided to the Asia Pacific cultural center in Tacoma.

Appropriation:

State Building Construction Account—State(((\$129,799,000))
	<u>\$130,941,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL(((\$129,799,000))
	<u>\$130,941,000</u>

Sec. 6004. 2018 c 298 s 1007 (uncodified) is amended to read as follows:
FOR THE DEPARTMENT OF COMMERCE

Behavioral Health Community Capacity (40000018)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is provided solely for the department of commerce, in collaboration with the department of social and health services and the health care authority, to issue grants to community hospitals or other community entities to expand and establish new capacity for behavioral health services in communities. Amounts provided in this section may be used for construction and equipment costs associated with establishment of the facilities, and consideration must be given to programs that incorporate outreach and treatment for youth dealing with mental health or social isolation issues. The department of commerce may approve funding for the acquisition of a facility or land if the project results in increased capacity. Amounts provided in this section may not be used for operating costs associated with the treatment of patients using these services. The department shall establish criteria for the issuance of the grants, which must include:

(a) Evidence that the application was developed in collaboration with one or more behavioral health organizations, as defined in RCW 71.24.025, or entities that assume the responsibilities of behavioral health organizations in regions in which the health care authority is purchasing medical and behavioral health services through fully integrated contracts pursuant to RCW 71.24.380;

(b) Evidence that the applicant has assessed and would meet gaps in geographical behavioral health services needs in their region;

(c) A commitment by applicants to serve persons who are publicly funded and persons detained under the involuntary treatment act under chapter 71.05 RCW;

(d) A commitment by the applicant to maintain the beds or facility for at least a ten-year period;

(e) The date upon which structural modifications or construction would begin and the anticipated date of completion of the project;

(f) A detailed estimate of the costs associated with opening the beds; and

(g) The applicant's commitment to work with local courts and prosecutors to ensure that prosecutors and courts in the area served by the hospital or facility will be available to conduct involuntary commitment hearings and proceedings under chapter 71.05 RCW.

(2) In awarding funding for projects in subsection (3), the department, in consultation with the department of social and health services, the health care authority, and behavioral health organizations, must strive for geographic distribution and allocate funding based on population and service needs of an area. The department must consider current services available, anticipated services available based on projects underway, and the service delivery needs of an area.

(3) \$49,600,000 is provided solely for a competitive process for each category listed and is subject to the criteria in subsections (1) and (2) of this section:

(a) \$4,600,000 is provided solely for at least two enhanced service facilities for long-term placement of patients discharged or diverted from the state psychiatric hospitals and that are not subject to federal funding restrictions that apply to institutions of mental diseases;

(b) \$4,000,000 is provided solely for at least two facilities with secure detox treatment beds that are not subject to federal funding restrictions that apply to institutions of mental diseases;

(c) \$2,000,000 is provided solely for at least one facility with acute detox treatment beds that are not subject to federal funding restrictions that apply to institutions of mental diseases;

(d) \$12,700,000 is provided solely for crisis diversion or stabilization facilities that are not subject to federal funding restrictions that apply to institutions of mental diseases. At least two of the facilities must be located in King county and one must be located in Pierce county. The facility in Pierce county shall receive no less than \$3,200,000;

(e) \$12,700,000 is provided solely for the department to provide grants to community hospitals or freestanding evaluation and treatment providers to develop capacity for beds to serve individuals on ninety or one hundred eighty day civil commitments as an alternative to treatment in the state hospitals. In awarding this funding, the department must coordinate with the department of social and health services, the health care authority, and the department of health, and must only select facilities that meet the following conditions:

(i) The funding must be used to increase capacity related to serving individuals who will be transitioned from or diverted from the state hospitals;

(ii) The facility is not subject to federal funding restrictions that apply to institutions of mental diseases;

(iii) The provider has submitted a proposal for operating the facility to the department of social and health services;

(iv) The provider has demonstrated to the department of health and the department of social and health services that it is able to meet applicable

licensing and certification requirements in the facility that will be used to provide services; and

(v) The department of social and health services has confirmed that it intends to contract with the facility for operating costs within funds provided in the operating budget for these purposes;

(f) \$6,600,000 is provided solely for the department to provide grants to community providers to develop psychiatric residential treatment beds to serve individuals being diverted or transitioned from the state hospitals. In awarding this funding, the department must coordinate with the department of social and health services, the health care authority, the department of health, and the local behavioral health organization jurisdiction for which a proposal has been submitted and must only select facilities that meet the following conditions:

(i) The funding must be used to increase capacity related to serving individuals who will be transitioned from or diverted from the state hospitals;

(ii) The facility is not subject to federal funding restrictions that apply to institutions of mental diseases;

(iii) The provider has submitted a proposal for operating the facility to the behavioral health organization in the region or the entity that assumes the responsibilities of the behavioral health organization pursuant to RCW 71.24.380;

(iv) The provider has demonstrated to the department of health and the department of social and health services that it is able to meet applicable licensing and certification requirements in the facility that will be used to provide services; and

(v) The behavioral health organization or the entity that assumes the responsibilities of the behavioral health organization pursuant to RCW 71.24.380 has confirmed that it intends to contract with the facility for operating costs within funds provided in the operating budget for these purposes;

(g) \$5,000,000 is provided solely for grants to community providers to increase behavioral health services and capacity for children and minor youth, including but not limited to, services for substance use disorder treatment, sexual assault and traumatic stress, anxiety, or depression, and interventions for children exhibiting aggressive or depressive behaviors. In awarding funds for projects in this subsection, the department, in consultation with the department of social and health services and the health care authority must review projects based on the following criteria:

(i) The funding must be used to increase capacity related to serving children and minor youth with behavioral health needs;

(ii) The facility is not subject to federal funding restrictions that apply to institutions of mental diseases; and

(iii) The provider has demonstrated to the department of health, department of social and health services, and health care authority that it is able to meet applicable licensing and certification requirements in the facility that will be used to provide services; and

(h) \$2,000,000 is provided solely for competitive community behavioral health grants.

(4) (~~(\$35,276,000)~~ \$34,776,000) is provided solely for the following list of projects and is subject to the criteria in subsection (1) of this section:

North Sound Behavioral Health Organization Denny

Youth Center	\$5,000,000
North Sound Behavioral Health Organization Substance Use Disorder Intensive Treatment	\$5,000,000
North Sound Stabilization Campus (Sedro-Woolley)	\$1,550,000
Bellingham Mental Health Triage	\$5,000,000
Bellingham Acute Detox	\$2,000,000
SWWA Diversion Crisis and Involuntary Treatment	\$3,000,000
Daybreak Center for Adolescent Recovery	\$3,000,000
Nexus Youth and Families	\$500,000
Valley City Recovery Place	\$2,000,000
Geriatric Diversion	\$500,000
Skagit Triage Expansion (Mount Vernon)	\$326,000
Spokane Jail Diversion	\$2,400,000
Tri-county Detox and Crisis Center	\$4,000,000
Toppenish Hospital	(\$1,000,000) <u>\$500,000</u>

(5) \$3,000,000 is provided solely for the Evergreen treatment services building purchase, contingent on matching funds.

(6)(a) \$3,000,000 is provided solely for a grant to a joint venture between MultiCare-Franciscan to provide community based behavioral health services. Funding provided in this subsection is subject to the criteria in subsection (1) of this section. The department of commerce may not release funding for this project unless MultiCare-Franciscan enters into a memorandum of understanding with the department of social and health services by October 31, 2018, to collaborate on development and implementation of strategies to expand the behavioral health workforce in the region. At a minimum, the agreement must include strategies for increasing recruitment of health professionals required to staff psychiatric inpatient facilities, including psychiatrists, psychologists, nurses and other health care professionals. The agreement must also identify opportunities for coordination between the parties to expand access to clinical skill development and training opportunities in the region and strategies for collaborative service delivery between the parties when possible. To objectively evaluate the efficacy of the strategies implemented to achieve the desired outcomes of the agreement, performance measures and targets must be established to include:

(b) MultiCare-Franciscan and the department of social and health services must work collaboratively to decrease vacancy rates for hard-to-recruit health care professionals employed by each facility. The parties must develop strategies to attract more qualified health care professionals to the area and ensure comparable exposure to the benefits of working for each organization. The parties must measure the success of these strategies by the decrease in vacancy rate for health care professionals necessary to provide safe, quality inpatient psychiatric care in MultiCare-Franciscan and department facilities following the first year as the baseline of the partnership/consortium and with updated goals for each subsequent year. MultiCare-Franciscan and the department of social and health services must work to increase the competency and skills of health care professionals across both facilities by establishing organized joint- and cross-training programs. The parties must measure the success of this strategy by the number of health care professionals in total and by discipline complete cross-

training activities and by the number and hours of cross-training opportunities offered under the agreement.

(7) The department of commerce shall notify all applicants that they may be required to have a construction review performed by the department of health.

(8) To accommodate the emergent need for behavioral health services, the department of health and the department of commerce, in collaboration with the health care authority and the department of social and health services, shall establish a concurrent and expedited process to assist grant applicants in meeting any applicable regulatory requirements necessary to operate inpatient psychiatric beds, free-standing evaluation and treatment facilities, enhanced services facilities, triage facilities, crisis stabilization facilities, detox, or secure detox.

(9) The department must strive to allocate all of the amounts appropriated within subsection (3) of this section in the manner prescribed. However, if upon review of applications, the department determines that there are not adequate suitable projects in a category, the department may allocate funds to other behavioral health capacity project categories within subsection (3) of this section, prioritizing projects in unserved areas of the state.

Appropriation:

State Building Construction Account—State	(\$90,876,000)
	<u>\$90,376,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	(\$90,876,000)
	<u>\$90,376,000</u>

Sec. 6005. 2018 c 298 s 1002 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

2017-19 Housing Trust Fund Program (30000872)

The appropriations in this section are subject to the following conditions and limitations:

(1) ~~(\$58,000,000)~~ \$83,500,000 of the state taxable building construction account—state appropriation, ~~(\$44,131,000)~~ \$19,631,000 of the state building construction account—state appropriation, and \$8,658,000 of the Washington housing trust account—state appropriation are provided solely for affordable housing and preservation of affordable housing. Of the amounts in this subsection:

(a) \$24,370,000 is provided solely for housing projects that provide supportive housing and case-management services to persons with chronic mental illness. The department must prioritize low-income supportive housing unit proposals that provide services or include a partner community behavioral health treatment provider;

(b) \$10,000,000 is provided solely for housing preservation grants or loans to be awarded competitively. The grants may be provided for major building improvements, preservation, and system replacements, necessary for the existing housing trust fund portfolio to maintain long-term viability. The department must require that a capital needs assessment is performed to estimate the cost of the preservation project at contract execution. Funds may not be used to add or expand the capacity of the property. To receive grants, housing projects must meet the following requirements:

(i) The property is more than fifteen years old;

(ii) At least 50 percent of the housing units are occupied by families and individuals at or below 30 percent area median income.

(iii) The improvements will result in reduction of operating or utilities costs, or both; and

(iv) Other criteria that the department considers necessary to achieve the purpose of this program.

(c) \$5,000,000 is provided solely for housing projects that benefit people at or below 80 percent of the area median income who have been displaced by a natural disaster declared by the governor, including people who have been displaced within the last two biennia.

(d) \$1,000,000 of the Washington housing trust account—state appropriation is provided solely for the department to work with the communities of concern commission to focus on creating capital assets that will help reduce poverty and build stronger and more sustainable communities using the communities' cultural understanding and vision. The funding must be used for predevelopment costs for capital projects identified by the commission and for other activities to assist communities in developing capacity to create community-owned capital assets.

(e) \$1,000,000 of the Washington housing trust account—state appropriation ~~((is))~~ and \$1,500,000 of the state taxable building construction account—state appropriation are provided solely for ~~((a nonprofit, public development authority, local government, or housing authority to))~~ the purchase of the three south annex properties. The state board for community and technical colleges must transfer the three south annex properties located at ((1534)) 1530 Broadway, 1534 Broadway, and 909 East Pine street ((owned by the state board of community and technical colleges. The property must be used to provide services and housing for homeless youth and young adults)) to one or more nonprofits or public development authorities selected by the department, if the selected entities agree to use the properties to provide services and housing for homeless youth or young adults for a minimum of twenty-five years. The transfer agreement between the state board for community and technical colleges and the selected entities must specify a mutually agreed transfer date and require the selected entities to cover any closing costs with a total purchase price of nine million dollars for all three properties.

(f) ~~(((\$26,006,000))~~ \$25,506,000 is provided solely for the following list of housing projects:

(i) ~~((Cross Laminated Timber))~~ Spokane Housing
Predesign \$500,000

(ii) El Centro de la Raza \$737,000

(iii) Highland Village Preservation \$1,500,000

(iv) King County Modular Housing Project \$1,500,000

(v) Nisqually Tribal Housing \$1,250,000

(vi) Othello Homesight Community Center \$3,000,000

(vii) Parkview Apartments Affordable Housing \$100,000

(viii) Supported Housing and Employment (Longview) \$129,000

(ix) ~~(((\$2,500,000))~~ \$2,000,000 is provided solely for ~~((grants to purchase low-income mobile home parks. Up to \$2,500,000 is for the Firs Mobile Home Park. If the Firs Mobile Home Park is not purchased, the amount provided in this~~

~~subsection shall lapse.)~~ homeownership assistance for low-income households displaced from their manufactured/mobile homes due the closure or conversion of a mobile home park or manufactured housing community in south King County. \$1,500,000 of this amount in this subsection is provided solely for low-income residents displaced from the Firs Mobile Home Park located in SeaTac.

(x) \$6,000,000 is provided solely for grants for high quality low-income housing projects that will quickly move people from homelessness into secure housing, and are significantly less expensive to construct than traditional housing. It is the intent of the legislature that these grants serve projects with a total project development cost per housing unit of less than \$125,000, excluding the value of land, and with a commitment by the applicant to maintain the housing units for at least a twenty-five year period. Amounts provided that are subject to this subsection must be used to plan, predesign, design, provide technical assistance and financial services, purchase land for, and build innovative low-income housing units. \$3,000,000 of the appropriation that is subject to this subsection is provided solely for innovative affordable housing in Shelton and \$3,000,000 of the appropriation that is subject to this subsection is provided solely for innovative affordable housing for veterans in Orting. Mental health and substance abuse counseling services must be offered to residents of housing projects supported by appropriations in this subsection. \$500,000 of the appropriation for housing units in Shelton can be released for purchase of land, planning, or predesign services before the project is fully funded. \$500,000 of the appropriation for housing units in Orting can be released for purchase of land, planning, or predesign services before the project is fully funded.

(xi) \$7,290,000 is provided solely for grants to the following organizations using innovative methods to address homelessness: \$4,290,000 for THA Arlington drive youth campus in Tacoma and \$3,000,000 for a King county housing project.

(xii) \$1,500,000 is provided solely for Valley Cities modular housing project in Auburn.

(g) Of the amounts appropriated remaining after (a) through (f) of this subsection, the department must allocate the funds as follows:

- (i) 10 percent is provided solely for housing projects that benefit veterans;
- (ii) 10 percent is provided solely for housing projects that benefit homeownership;
- (iii) 5 percent is provided solely for housing projects that benefit people with developmental disabilities;
- (iv) The remaining amount is provided solely for projects that serve low-income and special needs populations in need of housing, including, but not limited to, homeless families with children, homeless youth, farmworkers, and seniors.

(2) In evaluating projects in this section, the department must give preference for applications based on some or all of the criteria in RCW 43.185.070(5).

(3) The department must strive to allocate all of the amounts appropriated in this section within the 2017-2019 fiscal biennium in the manner prescribed in subsection (1) of this section. However, if upon review of applications the department determines there are not adequate suitable projects in a category, the department may allocate funds to projects serving other low-income and special

needs populations, provided those projects are located in an area with an identified need for the type of housing proposed.

Appropriation:

State Building Construction Account—State	(\$44,131,000)
	<u>\$19,631,000</u>
State Taxable Building Construction Account—State.	(\$58,000,000)
	<u>\$83,500,000</u>
Washington Housing Trust Account—State	\$8,658,000
Subtotal Appropriation.	(\$110,789,000)
	<u>\$111,789,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$400,000,000
TOTAL	(\$510,789,000)
	<u>\$511,789,000</u>

Sec. 6006. 2018 c 2 s 1013 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Clean Energy Funds 3 (30000881)

The appropriations in this section are subject to the following conditions and limitations:

(1) The appropriations are provided solely for projects that provide a benefit to the public through development, demonstration, and deployment of clean energy technologies that save energy and reduce energy costs, reduce harmful air emissions, or increase energy independence for the state.

(2) In soliciting and evaluating proposals, awarding contracts, and monitoring projects under this section, the department must:

(a) Ensure that competitive processes, rather than sole source contracting processes, are used to select all projects, except as otherwise noted in this section; and

(b) Conduct due diligence activities associated with the use of public funds including, but not limited to, oversight of the project selection process, project monitoring and ensuring that all applications and contracts fully comply with all applicable laws including disclosure and conflict of interest statutes.

(3)(a) Pursuant to chapter 42.52 RCW, the ethics in public service act, the department must require a project applicant to identify in application materials any state of Washington employees or former state employees employed by the firm or on the firm's governing board during the past twenty-four months. Application materials must identify the individual by name, the agency previously or currently employing the individual, job title or position held, and separation date. If it is determined by the department that a conflict of interest exists, the applicant may be disqualified from further consideration for award of funding.

(b) If the department finds, after due notice and examination, that there is a violation of chapter 42.52 RCW, or any similar statute involving a grantee who received funding under this section, either in procuring or performing under the grant, the department in its sole discretion may terminate the funding grant by written notice. If the grant is terminated, the department must reserve its right to pursue all available remedies under law to address the violation.

(4) The requirements in subsections (2) and (3) of this section must be specified in funding agreements issued by the department.

(5) \$11,000,000 of the state building construction account, is provided solely for grid modernization grants for projects that advance clean and renewable energy technologies, and transmission and distribution control systems; that support integration of renewable energy sources, deployment of distributed energy resources, and sustainable microgrids; and that increase utility customer options for energy sources, energy efficiency, energy equipment, and utility services.

(a) Projects must be implemented by public and private electrical utilities that serve retail customers in the state. Eligible utilities may partner with other public and private sector research organizations and businesses in applying for funding.

(b) The department shall develop a grant application process to competitively select projects for grant awards, to include scoring conducted by a group of qualified experts with application of criteria specified by the department. In development of the application criteria, the department shall, to the extent possible, allow smaller utilities or consortia of small utilities to apply for funding.

(c) Applications for grants must disclose all sources of public funds invested in a project.

(6) \$7,900,000 of the state building construction account and \$3,100,000 of the energy efficiency account are provided solely for grants to demonstrate new approaches to electrification of transportation systems.

(a) Projects must be implemented by local governments, or by public and private electrical utilities that serve retail customers in the state. Eligible parties may partner with other public and private sector research organizations and businesses in applying for funding. The department of commerce must coordinate with other electrification programs, including projects the department of transportation is developing and projects funded by the Volkswagen consent decree, to determine the most effective distribution of the systems.

(b) Priorities must be given to eligible technologies that reduce the top two hundred hours of demand and the demand side.

(c) Eligible technologies for these projects include, but are not limited to:

(i) Electric vehicle and transportation system charging and open source control infrastructure, including inductive charging systems;

(ii) Electric vehicle sharing in low-income, multi-unit housing communities in urban areas;

(iii) Grid-related vehicle electrification, connecting vehicle fleets to grid operations, including school and transit buses;

(iv) Electric vehicle fleet management tools with open source software;

(v) Maritime electrification, such as electric ferries, water taxis, and shore power infrastructure.

(7)(a) \$8,600,000 of the state building construction account is provided solely for strategic research and development for new and emerging clean energy technologies, as needed to match federal or other nonstate funds to research, develop, and demonstrate clean energy technologies.

(b) The department shall consult and coordinate with the University of Washington, Washington State University, the Pacific Northwest national

laboratory and other clean energy organizations to design the grant program unless the organization prefers to compete for the grants. If the organization prefers to receive grants from the program they may not participate in the consultant process determining how the grant process is structured. The program shall offer matching funds for competitively selected clean energy projects, including but not limited to: Solar technologies, advanced bioenergy and biofuels, development of new earth abundant materials or lightweight materials, advanced energy storage, battery components recycling, and new renewable energy and energy efficiency technologies. Criteria for the grant program must include life cycle cost analysis for projects that are part of the competitive process.

(c) \$750,000 of this subsection (7) is provided solely for the state efficiency and environmental program.

(8) \$8,000,000 of the state taxable construction account is provided solely for scientific instruments to help accelerate research in advanced materials at the proposed science laboratories infrastructure facility at the Pacific Northwest national laboratory. These state funds are contingent on securing federal funds for the new facility, and are provided as match to the federal funding. The instruments will support researchers at the bioproducts sciences and engineering laboratory, the joint center for deployment research in earth abundant materials, the center for advanced materials and clean energy technology, and other energy and materials collaborations with the University of Washington and Washington State University.

(9) \$1,600,000 of the state building construction account and \$2,400,000 of the energy efficiency account are provided solely for grants to be awarded in competitive rounds for the deployment of solar projects located in Washington state.

(a) Priority must be given to distribution side projects that reduce peak electricity demand.

(b) Projects must be capable of generating ~~((at least five hundred))~~ more than one hundred kilowatts of direct current generating capacity.

(c) Except as provided in (d) of this subsection, grants shall not exceed \$200,000 per megawatt of direct current generating capacity and total grant funds per project shall not exceed \$1,000,000 per applicant. Applicants may not use other state grants.

(d) At least ~~((25))~~ 35 percent of the total allocation of a project ~~((shall be provided solely for projects that provide direct benefits to low-income residents or communities. The department must attempt to prioritize an equal geographic distribution))~~ must be for community solar projects that provide solar electricity to low-income households, low-income tribal housing programs, affordable housing providers, and nonprofit organizations providing services to low-income communities. The provisions of (c) of this subsection do not apply to projects funded under this subsection (9)(d).

(e) Priority must be given to major components made in Washington.

(f) The department must attempt to prioritize an equitable geographic distribution and a diversity of project sizes.

(10) \$2,400,000 of the state building construction account is provided solely for the first phase of a project which, when fully deployed, will reduce emissions of greenhouse gases by a minimum of seven hundred fifty thousand tons per

year, increase energy efficiency, and protect or create aluminum manufacturing jobs located in ((a)) Whatcom county ((with a population of less than three hundred thousand)).

(11) \$1,100,000 of the state building construction account—state appropriation is provided solely for a grant to the public utility district no. 1 of Klickitat county for the remediation, survey, and evaluation of a closed-loop pump storage hydropower project at the John Day pool.

Appropriation:

State Building Construction Account—State	\$32,600,000
State Taxable Building Construction Account—State	\$8,000,000
Energy Efficiency Account—State	\$5,500,000
Subtotal Appropriation	\$46,100,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$200,000,000
TOTAL	\$246,100,000

Sec. 6007. 2018 c 2 s 1014 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Energy Efficiency and Solar Grants (30000882)

The appropriations in this section are subject to the following conditions and limitations:

(1)(a) \$3,675,000 for fiscal year 2018 and \$3,675,000 for fiscal year 2019 is provided solely for grants to be awarded in competitive rounds to local agencies, public higher education institutions, school districts, and state agencies for operational cost savings improvements to facilities and related projects that result in energy and operational cost savings.

(b) At least twenty percent of each competitive grant round must be awarded to small cities or towns with a population of five thousand or fewer residents.

(c) In each competitive round, the higher the leverage ratio of nonstate funding sources to state grant and the higher the energy savings, the higher the project ranking.

(d) For school district applicants, priority consideration must be given to school districts that demonstrate improved health and safety through: (i) Reduced exposure to polychlorinated biphenyl; or (ii) replacing outdated heating systems that use oil or propane as fuel sources as identified by the Washington State University extension energy program. Priority consideration must be given to applicants that have not received grant awards for this purpose in prior biennia.

(2) \$1,750,000 is provided solely for grants to be awarded in competitive rounds to local agencies, public higher education institutions, school districts, and state agencies for projects that involve the purchase and installation of solar energy systems, including solar modules and inverters, with a preference for products manufactured in Washington.

(3) \$1,400,000 is provided solely for energy efficiency improvements to minor works and stand-alone projects at state-owned facilities that repair or replace existing building systems including, but not limited to HVAC, lighting, insulation, windows, and other mechanical systems. Eligibility for this funding is dependent on an analysis using the office of financial management's life-cycle

cost tool that compares project design alternatives for initial and long-term cost-effectiveness. Assuming a reasonable return on investment, the ~~((east)) department shall provide grants in the amount required~~ to improve the project's energy efficiency compared to the original project request ~~((will be added to the project appropriation after construction bids are received))~~. Prior to awarding funds, the department of commerce shall ~~((coordinate with))~~ submit to the office of financial management ~~((to develop a process for project submittal, review, approval criteria, tracking project budget adjustments, and performance measures))~~ a list of all proposed awards for review and approval.

(4) \$500,000 is provided solely for resource conservation managers in the department of enterprise services to coordinate with state agencies and school districts to assess and adjust existing building systems and operations to optimize the efficiency in use of energy and other resources in state-owned facilities. The department of commerce will oversee an interagency agreement with the department of enterprise services to fund the resource conservation managers.

(5) The department shall develop metrics that indicate the performance of energy efficiency efforts and provide a report of the metrics, including at a minimum the current energy used by the building, the energy use after efficiencies are completed, and cost of energy saved. The report must include these metrics from other states.

Appropriation:

State Building Construction Account—State	\$5,500,000
Energy Efficiency Account—State	\$5,500,000
Subtotal Appropriation	\$11,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$60,000,000
TOTAL	\$71,000,000

Sec. 6008. 2018 c 298 s 1013 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Housing Trust Fund Appropriation (30000833)

The reappropriations in this section are subject to the following conditions and limitations:

~~((1) Except as provided in subsection (2) of this section,))~~ The reappropriations are subject to the provisions of section 1005, chapter 35, Laws of 2016 sp. sess.

~~((2) \$1,500,000 of the reappropriation from section 1005(11), chapter 35, Laws of 2016 sp. sess. is instead provided solely for purchase of the south annex properties. The state board of community and technical colleges must transfer the south annex properties located at 1531 Broadway, 1534 Broadway, and 909 East Pine street to a nonprofit or public development authority, if the entity agrees to use the properties to provide services and housing for homeless youth and young adults for a minimum of ten years. The transfer agreement must specify a mutually agreed transfer date. The transfer agreement must require the nonprofit or public development authority to cover any closing costs and must specify a purchase price of nine million dollars.))~~

Reappropriation:

State Taxable Building Construction Account—State	(((\$59,701,000))
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	<u>\$58,201,000</u>
Washington Housing Trust Account—State	\$3,000,000
Subtotal Reappropriation	(((\$62,701,000))
	<u>\$61,201,000</u>
Prior Biennia (Expenditures).....	\$20,299,000
Future Biennia (Projected Costs).....	\$0
TOTAL	(((\$83,000,000))
	<u>\$81,500,000</u>

Sec. 6009. 2018 c 298 s 1016 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Local and Community Projects 2016 (92000369)

The appropriation in this section is subject to the following conditions and limitations:

(1) Except as directed otherwise prior to the effective date of this section, the department may not expend the appropriation in this section unless and until the nonstate share of project costs have been either expended, or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by the legislature. This requirement does not apply to projects where a share of the appropriation is released for design costs only.

(2) Prior to receiving funds, project recipients must demonstrate that the project site is under control for a minimum of ten years, either through ownership or a long-term lease. This requirement does not apply to appropriations for preconstruction activities or appropriations whose sole purpose is to purchase real property that does not include a construction or renovation component.

(3) Projects funded in this section may be required to comply with Washington's high performance building standards as required by chapter 39.35D RCW.

(4) Project funds are available on a reimbursement basis only, and shall not be advanced under any circumstances.

(5) Projects funded in this section must be held by the recipient for a minimum of ten years and used for the same purpose or purposes intended by the legislature as required in RCW 43.63A.125(6).

(6) Projects funded in this section, including those that are owned and operated by nonprofit organizations, are generally required to pay state prevailing wages.

(7) \$2,209,000 of the appropriation in this section is provided solely for the Fairchild air force base protection and community empowerment project, including the purchase of twenty acres of land by Spokane county or the city of Airway Heights for development of affordable housing and the purchase of mobile home parks by Spokane county or the city of Airway Heights in order to reduce the use of the accident potential zone for residential purposes. There shall be no limitations on the sequence of the purchase of mobile home parks. If Spokane county or the city of Airway Heights subsequently rezones, develops, and leases the mobile home park property for commercial or industrial uses contrary to the allowed uses in the accident potential zone, Spokane county or the city of Airway Heights must repay to the state the amount spent on the

purchase of mobile home parks in its entirety within ten years. Mobile home parks purchased under the provisions of this subsection may be sold by Spokane county or the city of Airway Heights, provided that the uses of the mobile home park property are not contrary to the allowed uses in the accident potential zone. Any moneys from this sale must be used to purchase other mobile home parks in the Fairchild air force base protection and community empowerment project. The twenty acres of land purchased under this subsection for development as affordable housing may be sold, in whole or in part, by the recipient, provided the property sold is used for affordable housing as required in the Fairchild air force base protection and community empowerment project. Recipients of funds provided under this subsection are not required to demonstrate that the project site is under their control for a minimum of ten years but they must demonstrate that the project site is under their control through ownership or long-term lease. Projects funded under this subsection are not required to meet the provisions of RCW 43.63A.125(6) and subsection (5) of this section.

(8) \$850,000 of the appropriation in this section is provided solely for the White River restoration project. Design solutions for flooding reductions in the lower White River must include a floodplain habitat design that both reduces flood risks and restores salmon habitat by reconnecting the river with its floodplain and a sustainable riparian corridor. Project designs and plans must also identify lands for acquisition needed for floodplain reconnection where pending or existing development eliminates the potential for riparian and aquatic habitat restoration. The city shall work cooperatively with the Muckleshoot Indian Tribe and the Puyallup Tribe of Indians, and develop a plan collaboratively to achieve both flood reduction and habitat restoration.

(9) Up to \$300,000 of the appropriation in this section for the veterans helping veterans: Emergency transition shelter project may be spent on preconstruction or preacquisition activities, including, but not limited to, building inspections, design of necessary renovations, cost estimation, and other activities necessary to identify and select a facility appropriate for the program. The remainder of the appropriation must be used for eventual acquisition and renovations of a facility.

(10) \$2,500,000 of the appropriation in this section is provided solely for the mercy housing and health care center at Sand Point. During the 2015-2017 fiscal biennium, the center may not house any community health care training organization that has been investigated by and has paid settlement fees to the attorney general's office for alleged medicaid fraud.

(11) The Lake Chelan land use plan must be developed without adverse impacts on agricultural operations.

(12) \$1,300,000 of the appropriation in this section is provided solely for phase one of the main street revitalization project in the city of Mountlake Terrace.

(13) \$300,000 of the appropriation in this section is provided solely for the city of Stanwood to acquire property for a new city hall/public safety facility.

(14) Up to 30 percent of the funding for the Kennewick boys and girls club may be used for land acquisition.

(15) The appropriation is provided solely for the following list of projects:

Projects

Amounts

Algona senior center	\$500,000
All-accessible destination playground	\$750,000
Appleway trail	\$1,000,000
Basin 3 sewer rehabilitation	\$1,500,000
Bellevue downtown park inspiration playground and sensory garden	\$1,000,000
Bender fields parking lot and restrooms	\$1,000,000
Blackhills community soccer complex safety projects	\$750,000
Bremerton children's dental clinic	\$396,000
Brewster reservoir replacement	\$1,250,000
Brookville gardens	\$1,200,000
Camas-Washougal Babe Ruth youth baseball improve Louis Bloch park	\$10,000
Cancer immunotherapy facility-Seattle children's research inst.	\$7,000,000
Caribou trail apartments	\$100,000
Carnegie library imprv for the rapid recidivism reduction program	\$1,000,000
Cavelero park - regional park facility/skateboard park	\$500,000
CDM caregiving services: Clark county aging resource center	\$1,200,000
Centerville school heating upgrades	\$46,000
Chambers Creek regional park pier extension and moorage	\$1,750,000
City of LaCenter parks & rec community center	\$1,500,000
City of Lynden pipeline	\$2,000,000
City of Lynden-Riverview road construction	\$850,000
City of Lynden-safe routes to school and Kaemingk trail gap elim.	\$300,000
City of Mt. Vernon downtown flood protect project & riverfront trail	\$1,500,000
City of Olympia - Percival Landing renovation	\$950,000
City of Pateros water system	\$1,838,000
City of Stanwood City hall/public safety facility property acquisition	\$300,000
Classroom door barricade - nightlock	\$45,000
Confluence area parks upgrade and restoration	\$1,000,000
Corbin senior center elevator	\$300,000

Covington community park	\$5,000,000
Cross Kirkland corridor trail connection 52nd St.	\$1,069,000
Dawson place child advocacy center building completion project	\$161,000
Dekalb street pier	\$500,000
DNR/City of Castle Rock exchange	\$80,000
Dr. Sun Yat Sen memorial statue	\$10,000
Drug abuse and prevention center - Castle Rock	\$96,000
DuPont historical museum renovation	\$46,000
East Tacoma community center	\$1,000,000
Edmonds center for the arts: Gym climate control & roof repairs	\$250,000
Edmonds senior & community center	\$1,250,000
Emergency generator for kidney resource center	\$226,000
Enumclaw expo center	\$350,000
Fairchild air force base protection & comm empowerment project	\$2,209,000
Federal Way PAC center	\$2,000,000
Filipino community of Seattle village (innovative learning center)	\$1,200,000
Franklin Pierce early learning center	\$2,000,000
Gateway center project	\$1,000,000
Gilda club repairs	\$800,000
Granite Falls boys & girls club	\$1,000,000
Gratzer park ball fields	\$200,000
Grays Harbor navigation improvement project	\$2,500,000
Green river gorge open space buffer, Kummer connection	\$750,000
Guy Cole center revitalization	\$450,000
Historic renovation Maryhill museum	\$1,000,000
Hopelink at Ronald commons	\$750,000
Irvine slough storm water separation	\$500,000
Kahlotus highway sewer force main	\$2,625,000
Kennewick boys and girls club	\$500,000
Kent east hill YMCA	\$500,000
Key Pen civics center	\$50,000
KiBe high school parking	\$125,000
Kitsap humane society - shelter renovation	\$90,000

Lacey boys & girls club	\$29,000
Lake Chelan land use plan	\$75,000
LeMay car museum ADA access improvements	\$500,000
Lyman city park renovation	\$167,000
Lyon creek flood reduction project	\$400,000
Marine terminal rail investments	\$1,000,000
Martin Luther King Jr. family outreach center expansion project	\$85,000
Mason county Belfair wastewater system rate relief	\$1,500,000
McAllister museum	\$660,000
Mercer arena energy savings & sustainability funding	\$450,000
Mercy housing and health center at Sand Point	\$2,500,000
Meridian center for health	\$2,500,000
Minor Road water reservoir replacement	\$1,500,000
Mountains to Sound Greenway Tiger Mountain access improvements	\$300,000
Mountlake Terrace Main street revitalization project	\$1,300,000
Mt. Spokane guest services building & preservation/maintenance of existing facilities	\$520,000
Boys & girls club of Snohomish county (Brewster, Sultan, Granite Falls, Arlington, and Mukilteo)	\$1,000,000
Mukilteo tank farm clean-up	\$250,000
New Shoreline medical-dental clinic	\$1,500,000
Nordic heritage museum	\$2,000,000
North Kitsap fishline foodbank	\$625,000
Northwest native canoe center project	\$250,000
Oak Harbor clean water facility	\$2,500,000
Okanogan emergency communications	\$400,000
Onalaska community tennis and sports courts	\$80,000
Opera house ADA elevator	\$357,000
Orcas Island library expansion	\$1,400,000
Pacific community center	\$250,000
PCAF's building for the future	\$350,000
Pe Ell second street	\$197,000
Perry technical school	\$1,000,000
Pike Place Market front project	\$800,000
Police station security/hardening	\$38,000
Port of Centralia - Centralia station	\$500,000

Port of Sunnyside demolish the carnation building	\$450,000
PROVAIL TBI residential facility	\$450,000
Quincy water reuse	\$1,500,000
Redmond downtown park	\$3,000,000
Redondo boardwalk repairs	\$1,500,000
Renovate senior center	\$400,000
Rochester boys & girls club	\$38,000
Rockford wastewater treatment	\$1,200,000
Roslyn renaissance-NW improve company bldg renovation project	\$900,000
Sammamish rowing association boathouse	\$500,000
SE 240th St. watermain system improvement project	\$700,000
SE Seattle financial & economic opportunity center	\$1,500,000
((SeaTac international marketplace & transit-oriented community	\$1,250,000))
Seattle theatre group	\$131,000
Snohomish veterans memorial rebuild	\$10,000
Snoqualmie riverfront project	\$1,520,000
South 228th street inter-urban trail connector	\$500,000
Splash pad/foundation: Centralia outdoor pool restoration project	\$200,000
Spokane women's club	\$300,000
Springbrook park neighborhood connection project	\$300,000
SR 532 flood berm and bike/ped path	\$85,000
St. Vincent food bank & community services construction project	\$400,000
Stan & Joan cross park	\$750,000
Steilacoom Sentinel Way repairs	\$450,000
Stilly Valley youth project Arlington B&G club	\$2,242,000
Sunset neighborhood park	\$1,750,000
Support, advocacy & resource center for victims of violence	\$750,000
The gathering house job training café	\$14,000
The Salvation Army Clark County: Corps community center	\$1,200,000
Thurston county food bank	\$500,000
Tulalip water pipeline, (final of 8 segments)	\$2,000,000
Twin Bridges museum rehab Lyle Wa	\$64,000

Twisp civic building	\$500,000
Vancouver, Columbia waterfront project	\$2,500,000
Vantage point senior apartments	\$2,000,000
Veterans center	\$500,000
Veterans helping veterans: Emergency transition shelter	\$600,000
Waitsburg Main Street bridge replacement	\$1,700,000
Washington green schools	\$105,000
Washougal roof repair	\$350,000
Water meter and system improvement program	\$500,000
Water reservoir and transmission main	\$500,000
Wayne golf course land preservation	\$500,000
White River restoration project	\$850,000
Willapa behavioral health safety improvement project	\$75,000
WSU LID frontage - local and economic benefits	\$500,000
Yakima children's museum center	\$50,000
Yakima SunDome	\$2,000,000
Yelm community center	\$500,000
Yelm senior center	\$80,000
Youth wellness campus gymnasium renovation	\$1,000,000

Total	\$130,169,000
† State Building Construction Account—State	(((\$130,169,000))
	<u>\$128,919,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	(((\$130,169,000))
	<u>\$128,919,000</u>

Sec. 6010. 2018 c 2 s 1028 (uncodified) is amended to read as follows:
FOR THE OFFICE OF FINANCIAL MANAGEMENT
 Emergency Repairs (30000041)

The appropriation in this section is subject to the following conditions and limitations: Emergency repair funding is provided solely to address unexpected building or grounds failures that will impact public health and safety and the day-to-day operations of the facility. To be eligible for funds from the emergency repair pool, an emergency declaration signed by the affected agency director must be submitted to the office of financial management and the appropriate legislative fiscal committees. The emergency declaration must include a description of the health and safety hazard, the possible cause, the proposed scope of emergency repair work and related cost estimate, and identification of other funding that may be applied to the project. For emergencies occurring

during a legislative session, an agency must notify the legislative fiscal committees before requesting emergency funds from the office of financial management. The office of financial management must notify the legislative evaluation and accountability program committee, the house capital budget committee, and senate ways and means committee as emergency projects are approved for funding.

Appropriation:

State Building Construction Account—State	((<u>\$5,000,000</u>))
	<u>\$3,300,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$20,000,000
TOTAL	((<u>\$25,000,000</u>))
	<u>\$23,300,000</u>

Sec. 6011. 2017 3rd sp.s. c 4 s 1052 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ENTERPRISE SERVICES

West Campus Historic Buildings Exterior Preservation (30000727)

Reappropriation:

State Building Construction Account—State	((<u>\$500,000</u>))
	<u>\$380,000</u>
Prior Biennia (Expenditures)	\$1,500,000
Future Biennia (Projected Costs)	\$0
TOTAL	((<u>\$2,000,000</u>))
	<u>\$1,880,000</u>

Sec. 6012. 2018 c 298 s 2004 (uncodified) is amended to read as follows:
FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Echo Glen - Housing Unit: Acute Mental Health Unit (30002736)

Appropriation:

State Building Construction Account—State	((<u>\$9,806,000</u>))
	<u>\$206,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	((<u>\$9,806,000</u>))
	<u>\$206,000</u>

Sec. 6013. 2018 c 298 s 2005 (uncodified) is amended to read as follows:
FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Statewide - RA Community Facilities: Safety & Security Improvements (30002737)

Appropriation:

Charitable, Educational, Penal, and Reformatory	
Institutions Account—State	\$200,000
State Building Construction Account—State	((<u>\$1,800,000</u>))
	<u>\$1,500,000</u>
Subtotal Appropriation	((<u>\$2,000,000</u>))
	<u>\$1,700,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	((<u>\$2,000,000</u>))

\$1,700,000

Sec. 6014. 2018 c 298 s 2008 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Green Hill School - Recreation Building: Replacement (30003237)

Appropriation:

State Building Construction Account—State	((<u>\$1,200,000</u>))	<u>\$800,000</u>
Prior Biennia (Expenditures)	\$0	
Future Biennia (Projected Costs)	((<u>\$11,000,000</u>))	<u>\$0</u>
TOTAL	((<u>\$12,200,000</u>))	<u>\$800,000</u>

Sec. 6015. 2018 c 2 s 2019 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Green Hill School - Campus: Security & Surveillance Upgrades (30003580)

Appropriation:

State Building Construction Account—State	((<u>\$2,000,000</u>))	<u>\$1,500,000</u>
Prior Biennia (Expenditures)	\$0	
Future Biennia (Projected Costs)	\$0	
TOTAL	((<u>\$2,000,000</u>))	<u>\$1,500,000</u>

Sec. 6016. 2018 c 298 s 2018 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Pine Lodge Behavioral Rehabilitation Services (91000061)

Appropriation:

State Building Construction Account—State	((<u>\$1,400,000</u>))	<u>\$175,000</u>
Prior Biennia (Expenditures)	\$0	
Future Biennia (Projected Costs)	\$0	
TOTAL	((<u>\$1,400,000</u>))	<u>\$175,000</u>

Sec. 6017. 2018 c 2 s 3024 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Water Pollution Control State Match (40000013)

The appropriation in this section is subject to the following conditions and limitations: ((\$10,000,000)) \$10,194,000 of the appropriation is provided solely as state match for federal clean water funds. ((\$10,000,000)) \$10,194,000 of the appropriation must be transferred into the water pollution control revolving account.

Appropriation:

State Taxable Building Construction Account—State	((<u>\$10,000,000</u>))	<u>\$10,194,000</u>
Prior Biennia (Expenditures)	\$0	
Future Biennia (Projected Costs)	\$40,000,000	
TOTAL	((<u>\$50,000,000</u>))	<u>\$50,194,000</u>

State Building Construction Account—State	\$2,068,000
Prior Biennia (Expenditures)	\$225,000
Future Biennia (Projected Costs)	\$0
TOTAL	<u>(\$2,293,000)</u>
	<u>\$2,343,000</u>

Sec. 6023. 2018 c 2 s 4002 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION

Aviation Revitalization Loans (92000003)

The appropriation in this section is subject to the following conditions and limitations:

~~((1) This appropriation is provided solely for deposit into the public use general aviation airport loan revolving account created in section 7028 of this act for direct loans to political subdivisions of the state and privately owned airports for the purpose of improvements at public use airports that primarily support general aviation activities.~~

~~(2) The department must convene a community aviation revitalization board to develop criteria for selecting loan recipients, to develop a process for evaluating applications, and to make decisions. The board must consist of the capital budget chair and ranking minority member of the capital budget committee of the house of representatives and the senate ways and means committee, and a representative from both the department of transportation's aviation division and the department of commerce. The board must also consist of the following members appointed by the secretary of transportation: One port district official, one county official, one city official, one representative of airport managers, and one representative of pilots. The chair of the board must be selected by the secretary of transportation. The members of the board must elect one of their members to serve as vice chair. The director of commerce and the secretary of transportation must serve as nonvoting advisory members of the board.~~

~~(3) The board may provide loans to privately owned airports for the purpose of airport improvements only if the state is receiving commensurate public benefit, such as guaranteed long term public access to the airport as a condition of the loan. For purposes of this subsection, "public use airports that primarily support general aviation activities" means all public use airports not listed as having more than fifty thousand annual commercial air service passenger enplanements as published by the federal aviation administration.~~

~~(4) An application for loan funds under this section must be made in the form and manner as the board may prescribe. When evaluating loan applications, the board must prioritize applications that provide conclusive justification that completion of the loan application project will create revenue generating opportunities. The board is not limited to, but must also use, the following expected outcome conditions when evaluating loan applications:~~

~~(a) A specific private development or expansion is ready to occur and will occur only if the aviation facility improvement is made;~~

~~(b) The loan application project results in the creation of jobs or private sector capital investment as determined by the board;~~

~~(c) The loan application project improves opportunities for the successful maintenance, operation, or expansion of an airport or adjacent airport business park;~~

~~(d) The loan application project results in the creation or retention of long-term economic opportunities; and~~

~~(e) The loan application project results in leveraging additional federal funding for an airport.~~

~~(5) The repayment of any loan made from the public use general aviation airport loan revolving account under the contracts for aviation loans must be paid into the public use general aviation airport loan revolving account.) (1)(a) The department of transportation must convene a community aviation revitalization board to exercise the powers granted under this section.~~

~~(b) The board must consist of a representative from the department of transportation's aviation division, the public works board, and a nonlegislative member of the community economic revitalization board. The board must also consist of the following members appointed by the secretary of transportation: One port district official, one county official, one city official, one representative of airport managers, and one representative of a general aviation pilots organization within Washington that has an active membership and established location, chapter, or appointed representative within Washington. The appointive members must initially be appointed to terms as follows: Two members for two-year terms, and three members for three-year terms which must include the chair. Thereafter, each succeeding term must be for three years. The chair of the board must be selected by the secretary of transportation. The members of the board must elect one of their members to serve as vice chair.~~

~~(c) Management services, including fiscal and contract services, must be provided by the department of transportation to assist the board in implementing this section.~~

~~(d) If a vacancy occurs by death, resignation, or otherwise of appointive members of the board, the secretary of transportation must fill the vacancy for the unexpired term. Members of the board may be removed for malfeasance or misfeasance in office, upon specific written charges by the secretary of transportation, under chapter 34.05 RCW.~~

~~(e) A member appointed by the secretary of transportation may not be absent from more than fifty percent of the regularly scheduled meetings in any one calendar year. Any member who exceeds this absence limitation is deemed to have withdrawn from the office and may be replaced by the secretary of transportation.~~

~~(f) A majority of members currently appointed constitutes a quorum.~~

~~(g) The board must meet three times a year or as deemed necessary by the department of transportation.~~

~~(h) Staff support to the board must be provided by the department of transportation as needed.~~

~~(2) In addition to other applicable provisions of law pertaining to conflicts of interest of public officials, any community aviation revitalization board member, appointive or otherwise, may not participate in any decision on any board contract in which the board member has any interests, direct or indirect, with any firm, partnership, corporation, or association that would be the recipient of any aid under this section. If such participation occurs, the board~~

must void the transaction and the involved member is subject to further sanctions as provided by law. The board must adopt a code of ethics for its members, which must be designed to protect the state and its citizens from any unethical conduct by the board.

(3) The community aviation revitalization board may:

(a) Adopt bylaws for the regulation of its affairs and the conduct of its business;

(b) Adopt an official seal and alter the seal at its pleasure;

(c) Utilize the services of other governmental agencies;

(d) Accept from any federal agency loans or grants for the planning or financing of any project and enter into an agreement with the agency respecting the loans or grants;

(e) Conduct examinations and investigations and take testimony at public hearings of any matter material for its information that will assist in determinations related to the exercise of the board's lawful powers;

(f) Accept any gifts, grants, loans of funds, property, or financial or other aid in any form from any other source on any terms and conditions that are not in conflict with this section;

(g) Enter into agreements or other transactions with and accept grants and the cooperation of any governmental agency in furtherance of this section;

(h) Adopt rules under chapter 34.05 RCW as necessary to carry out the purposes of this section; and

(i) Perform all acts and things necessary or convenient to carry out the powers expressly granted or implied under this section.

(4)(a) The community aviation revitalization board may make direct loans to airport sponsors of public use airports in the state for the purpose of airport improvements that primarily support general aviation activities. The board may provide loans for the purpose of airport improvements only if the state is receiving commensurate public benefit, which must include, as a condition of the loan, a commitment to provide public access to the airport for a period of time equivalent to one and one-half times the term of the loan. For purposes of this subsection, "public use airports" means all public use airports not listed as having more than seventy-five thousand annual commercial air service passenger enplanements as published by the federal aviation administration.

(b) An application for loan funds under this section must be made in the form and manner as the board may prescribe. When evaluating loan applications, the board must prioritize applications that provide conclusive justification that completion of the loan application project will create revenue generating opportunities. The board is not limited to, but must also use, the following expected outcome conditions when evaluating loan applications:

(i) A specific private development or expansion is ready to occur and will occur only if the aviation facility improvement is made;

(ii) The loan application project results in the creation of jobs or private sector capital investment as determined by the board;

(iii) The loan application project improves opportunities for the successful maintenance, operation, or expansion of an airport or adjacent airport business park;

(iv) The loan application project results in the creation or retention of long-term economic opportunities; and

(v) The loan application project results in leveraging additional federal funding for an airport.

(c)(i) If the board chooses to require a local match, the board must develop guidelines for local participation and allowable match and activities.

(ii) An application must:

(A) Be supported by the port district, city, or county in which the project is located; or

(B) Clearly identify the source of funds intended to repay the loan.

(5) The public use general aviation airport loan program, when authorized by the community aviation revitalization board, is subject to the following conditions:

(a) The moneys in the public use general aviation airport loan revolving account created in section 7037 of this act must be used only to fulfill commitments arising from loans authorized in this section. The total outstanding amount that the board must dispense at any time pursuant to this section must not exceed the moneys available from the account.

(b) On contracts made for public use general aviation airport loans, the board must determine the interest rate that loans must bear. The interest rate must not exceed the amount needed to cover the administrative expenses of the board and the loan program. The board may provide reasonable terms and conditions for the repayment of loans, with the repayment of a loan to begin no later than three years after the award date of the loan. The loans must not exceed twenty years in duration.

(c) The repayment of any loan made from the public use general aviation airport loan revolving account under the contracts for aviation loans must be paid into the public use general aviation airport loan revolving account.

(6) All receipts from moneys collected under this section must be deposited into the public use general aviation airport loan revolving account created in section 7037 of this act.

Appropriation:

~~((State Taxable Building Construction))~~ Public Works

Assistance Account—State	\$5,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,000,000

Sec. 6024. 2018 c 2 s 5014 (uncodified) is amended to read as follows:

FOR THE STATE SCHOOL FOR THE BLIND

Independent Living Skills Center (30000107)

Appropriation:

State Building Construction Account—State	(((\$50,000))
	<u>\$170,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	(((\$50,000))
	<u>\$170,000</u>

Sec. 6025. 2017 3rd. sp.s. c 4 s 5058 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Tacoma Community College: Health Careers Center (20082701)
 Reappropriation:

State Building Construction Account—State((\$6,915,000))
	<u>\$203,000</u>
Prior Biennia (Expenditures)	\$34,258,000
Future Biennia (Projected Costs)	\$0
TOTAL((\$41,173,000))
	<u>\$34,461,000</u>

Sec. 6026. 2018 c 298 s 5040 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Cascadia Center for Science and Technology (30001453)

Appropriation:

State Building Construction Account—State((\$3,421,000))
	<u>\$296,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)((\$37,726,000))
	<u>\$0</u>
TOTAL((\$41,147,000))
	<u>\$296,000</u>

PART 7

MISCELLANEOUS PROVISIONS

NEW SECTION. **Sec. 7001.** RCW 43.88.031 requires the disclosure of the estimated debt service costs associated with new capital bond appropriations. The estimated debt service costs for the appropriations contained in this act are forty-eight million six hundred eighteen thousand two hundred eighteen dollars for the 2019-2021 biennium, three hundred six million nine hundred two thousand nine hundred ninety-six dollars for the 2021-2023 biennium, and four hundred thirty-three million two hundred fifty-nine thousand five hundred seventy-three dollars for the 2023-2025 biennium.

NEW SECTION. **Sec. 7002.** ACQUISITION OF PROPERTIES AND FACILITIES THROUGH FINANCIAL CONTRACTS. (1) The following agencies may enter into financial contracts, paid from any funds of an agency, appropriated or nonappropriated, for the purposes indicated and in not more than the principal amounts indicated, plus financing expenses and required reserves pursuant to chapter 39.94 RCW. When securing properties under this section, agencies shall use the most economical financial contract option available, including long-term leases, lease-purchase agreements, lease-development with option to purchase agreements or financial contracts using certificates of participation. Expenditures made by an agency for one of the indicated purposes before the issue date of the authorized financial contract and any certificates of participation therein are intended to be reimbursed from proceeds of the financial contract and any certificates of participation therein to the extent provided in the agency's financing plan approved by the state finance committee.

(2) Those noninstructional facilities of higher education institutions authorized in this section to enter into financial contracts are not eligible for state funded maintenance and operations. Instructional space that is available for regularly scheduled classes for academic transfer, basic skills, and workforce training programs may be eligible for state funded maintenance and operations.

(3) Secretary of state: Enter into a financing contract for up to \$103,143,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a new library-archives building.

(4) Washington state patrol: Enter into a financing contract for up to \$7,450,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a burn building for live fire training.

(5) Department of social and health services: Enter into a financing contract for up to \$3,600,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase the King county secure community transition center.

(6) Department of fish and wildlife: Enter into a financing contract for up to \$3,099,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase automated salmon marking trailers.

(7) Department of natural resources: Enter into a financing contract for up to \$1,800,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to remodel spaces within agency-owned commercial buildings that will benefit the common school trust.

(8) Western Washington University: Enter into a financing contract for up to \$9,950,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a consolidated academic support services facility. Debt service for this facility may not be paid from additional student fees.

(9) Community and technical colleges:

(a) Enter into a financing contract on behalf of Columbia Basin Community College for up to \$27,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a student recreation center.

(b) Enter into a financing contract on behalf of Pierce College Puyallup for up to \$2,831,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase land and construct parking.

(c) Enter into a financing contract on behalf of Walla Walla Community College for up to \$1,500,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to build a student activity center on the Clarkston campus.

(d) Enter into a financing contract on behalf of Walla Walla Community College for up to \$6,500,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to build a student recreation center.

(e) Enter into a financing contract on behalf of Wenatchee Valley College for up to \$4,500,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW for the Wells Hall replacement project.

(f) Enter into a financing contract on behalf of Yakima Valley Community College for up to \$22,700,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to build additional instructional and lab classroom space.

(g) Enter into a financing contract on behalf of Everett Community College for up to \$10,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase one or more properties adjacent to the campus.

NEW SECTION. Sec. 7003. (1) To ensure that major construction projects are carried out in accordance with legislative and executive intent, agencies must complete a predesign for state construction projects with a total anticipated cost in excess of \$5,000,000, or \$10,000,000 for higher education institutions. "Total

anticipated cost" means the sum of the anticipated cost of the predesign, design, and construction phases of the project.

(2) Appropriations for design may not be expended or encumbered until the office of financial management has reviewed and approved the agency's predesign.

(3) The predesign must explore at least three project alternatives. These alternatives must be both distinctly different and viable solutions to the issue being addressed. The chosen alternative should be the most reasonable and cost-effective solution. The predesign document must include, but not be limited to, program, site, and cost analysis, and an analysis of the life-cycle costs of the alternatives explored, in accordance with the predesign manual adopted by the office of financial management.

(4) The office of financial management may make an exception to the predesign requirements in this section after notifying the legislative fiscal committees and waiting ten days for comment by the legislature regarding the proposed exception.

NEW SECTION. Sec. 7004. (1) The legislature finds that use of life-cycle cost analysis will aid public entities, architects, engineers, and contractors in making design and construction decisions that positively impact both the initial construction cost and the ongoing operating and maintenance cost of a project. To ensure that the total cost of a project is accounted for and the most reasonable and cost efficient design is used, agencies shall develop life-cycle costs for any construction project over \$10,000,000. The life-cycle costs must represent the present value sum of capital costs, installation costs, operating costs, and maintenance costs over the life expectancy of the project. The legislature further finds the most effective approach to the life-cycle cost analysis is to integrate it into the early part of the design process.

(2) Agencies must develop a minimum of three project alternatives for use in the life-cycle cost analysis. These alternatives must be both distinctly different and viable solutions to the issue being addressed. The chosen alternative must be the most reasonable and cost-effective solution. A brief description of each project alternative and why it was chosen must be included in the life-cycle cost analysis section of the predesign.

(3) The office of financial management shall: (a) Make available a life-cycle cost model to be used for analysis; (b) in consultation with the department of enterprise services, provide assistance in using the life-cycle cost model; and (c) update the life-cycle cost model annually including assumptions for inflation rates, discount rates, and energy rates.

(4) Agencies shall consider architectural and engineering firms' and general contractors' experience using life-cycle costs, operating costs, and energy efficiency measures when selecting an architectural and engineering firm, or when selecting contractors using alternative contracting methods.

NEW SECTION. Sec. 7005. Agencies administering construction projects with a total anticipated cost in excess of \$5,000,000, or \$10,000,000 for higher education institutions, must submit progress reports to the office of financial management and to the fiscal committees of the house of representatives and senate. "Total anticipated cost" means the sum of the anticipated cost of the predesign, design, and construction phases of the project. Reports must be

submitted on July 1st and December 31st of each year in a format determined by the office of financial management. After the project is completed, agencies must also submit a closeout report that identifies the total project cost and any unspent appropriations.

NEW SECTION. Sec. 7006. (1) Allotments for appropriations in this act shall be provided in accordance with the capital project review requirements adopted by the office of financial management and in compliance with RCW 43.88.110. Projects that will be employing alternative public works construction procedures under chapter 39.10 RCW are subject to the allotment procedures defined in this section and RCW 43.88.110.

(2) Each project is defined as proposed in the legislative budget notes or in the governor's budget document.

NEW SECTION. Sec. 7007. (1) The office of financial management may authorize a transfer of appropriation authority provided for a capital project that is in excess of the amount required for the completion of such project to another capital project for which the appropriation is insufficient. No such transfer may be used to expand the capacity of any facility beyond that intended in making the appropriation. Such transfers may be effected only between capital appropriations to a specific department, commission, agency, or institution of higher education and only between capital projects that are funded from the same fund or account. No transfers may occur between projects to local government agencies except where the grants are provided within a single omnibus appropriation and where such transfers are specifically authorized by the implementing statutes that govern the grants. However, the office of financial management may transfer funds from the emergency repair pool to supplement the western state hospital wards renovations for forensic services project in section 2035 of this act if bids exceed the project appropriation.

(2) The office of financial management may find that an amount is in excess of the amount required for the completion of a project only if: (a) The project as defined in the notes to the budget document is substantially complete and there are funds remaining; or (b) bids have been let on a project and it appears to a substantial certainty that the project as defined in the notes to the budget document can be completed within the biennium for less than the amount appropriated in this act.

(3) For the purposes of this section, the intent is that each project be defined as proposed to the legislature in the governor's budget document, unless it clearly appears from the legislative history that the legislature intended to define the scope of a project in a different way.

(4) A report of any transfer effected under this section, except emergency projects or any transfer under \$250,000, shall be filed with the legislative fiscal committees of the senate and house of representatives by the office of financial management at least thirty days before the date the transfer is effected. The office of financial management shall report all emergency or smaller transfers within thirty days from the date of transfer. However, the office of financial management may effect one or more transfers to supplement the western state hospital wards renovations for forensic services project in section 2035 of this act without waiting thirty days for fiscal committee response.

NEW SECTION. Sec. 7008. (1) It is expected that projects be ready to proceed in a timely manner depending on the type or phase of the project or program that is the subject of the appropriation in this act. Except for major projects that customarily may take more than two biennia to complete from predesign to the end of construction, or large infrastructure grant or loan programs supporting projects that often take more than two biennia to complete, the legislature generally does not intend to reappropriate funds more than once, particularly for smaller grant programs, local/community projects, and minor works.

(2) Agencies shall expedite the expenditure of reappropriations and appropriations in this act in order to: (a) Rehabilitate infrastructure resources; (b) accelerate environmental rehabilitation and restoration projects for the improvement of the state's natural environment; (c) reduce additional costs associated with acquisition and construction inflationary pressures; and (d) provide additional employment opportunities associated with capital expenditures.

(3) To the extent feasible, agencies are directed to accelerate expenditure rates at their current level of permanent employees and shall use contracted design and construction services wherever necessary to meet the goals of this section.

NEW SECTION. Sec. 7009. (1) Any building project that receives over \$10,000,000 in funding from the capital budget must be built to sustainable standards. "Sustainable building" means a building that integrates and optimizes all major high-performance building attributes, including energy efficiency, durability, life-cycle performance, and occupant productivity. The following design and construction attributes must be integrated into the building project:

(a) **Employ integrated design principles:** Use a collaborative, integrated planning and design process that initiates and maintains an integrated project team in all stages of a project's planning and delivery. Establish performance goals for siting, energy, water, materials, and indoor environmental quality along with other comprehensive design goals and ensures incorporation of these goals throughout the design and life-cycle of the building. Consider all stages of the building's life-cycle, including deconstruction.

(b) **Commissioning:** Employ commissioning practices tailored to the size and complexity of the building and its system components in order to verify performance of building components and systems and help ensure that design requirements are met. This should include an experienced commissioning provider, inclusion of commissioning requirements in construction documents, a commissioning plan, verification of the installation and performance of systems to be commissioned, and a commissioning report.

(c) **Optimize energy performance:** Establish a whole building performance target that takes into account the intended use, occupancy, operations, plug loads, other energy demands, and design to earn the ENERGY STAR targets for new construction and major renovation where applicable. For new construction target low energy use index. For major renovations, target reducing energy use by fifty percent below prerenovations baseline.

(d) **On-site renewable energy:** Meet at least thirty percent of the hot water demand through the installation of solar hot water heaters, when life-cycle cost

effective. Implement renewable energy generation projects on agency property for agency use, when life-cycle cost effective.

(e) Measurement and verification: Where appropriate, install building level electricity meters in new major construction and renovation projects to track and continuously optimize performance. Include equivalent meters for natural gas and steam, where natural gas and steam are used. Where appropriate, install dashboards inside buildings to display and incentivize occupants on energy use.

(f) Benchmarking: Compare performance data from the first year of operation with the energy design target. Verify that the building performance meets or exceeds the design target. For other building and space types, use an equivalent benchmarking tool.

NEW SECTION. Sec. 7010. State agencies, including institutions of higher education, shall allot and report full-time equivalent staff for capital projects in a manner comparable to staff reporting for operating expenditures.

NEW SECTION. Sec. 7011. Executive Order No. 05-05, archaeological and cultural resources, was issued effective November 10, 2005. Agencies shall comply with the requirements set forth in this executive order.

NEW SECTION. Sec. 7012. FOR THE ARTS COMMISSION—ART WORK ALLOWANCE. (1) One-half of one percent of moneys appropriated in this act for original construction of school plant facilities is provided solely for the purposes of RCW 28A.335.210.

(2) One-half of one percent of moneys appropriated in this act for original construction or any major renovation or remodel work exceeding \$200,000 by colleges or universities is provided solely for the purposes of RCW 28B.10.027.

(3) One-half of one percent of moneys appropriated in this act for original construction of any public building by a state agency identified in RCW 43.17.200 is provided solely for the purposes of RCW 43.17.200.

(4) At least eighty percent of the moneys spent by the Washington state arts commission during the 2019-2021 biennium for the purposes of RCW 28A.335.210, 28B.10.027, and 43.17.200 must be expended solely for direct acquisition of works of art. Art allocations not expended within the ensuing two biennia will lapse. The commission may use up to \$200,000 of this amount to conserve or maintain existing pieces in the state art collection.

NEW SECTION. Sec. 7013. To carry out the provisions of this act, the governor may assign responsibility for pre-design, design, construction, and other related activities to any appropriate agency.

NEW SECTION. Sec. 7014. If any federal moneys appropriated by this act for capital projects are not received by the state, the department or agency to which the moneys were appropriated may replace the federal moneys with funds available from private or local sources. No replacement may occur under this section without the prior approval of the director of financial management in consultation with the senate ways and means committee and the house of representatives capital budget committee.

NEW SECTION. Sec. 7015. (1) Unless otherwise stated, for all appropriations under this act that require a match of nonstate money or in-kind contributions, the following requirement, consistent with RCW 43.88.150, shall

apply: Expenditures of state money shall be timed so that the state share of project expenditures never exceeds the intended state share of total project costs.

(2) Provision of the full amount of required matching funds is not required to permit the expenditure of capital budget appropriations for phased projects if a proportional amount of the required matching funds is provided for each distinct, identifiable phase of the project.

NEW SECTION. Sec. 7016. NONTAXABLE AND TAXABLE BOND PROCEEDS. Portions of the appropriation authority granted by this act from the state building construction account, or any other account receiving bond proceeds, may be transferred to the state taxable building construction account as deemed necessary by the state finance committee to comply with the federal internal revenue service rules and regulations pertaining to the use of nontaxable bond proceeds. Portions of the general obligation bond proceeds authorized by chapter . . . , Laws of 2019, (Substitute House Bill No. 1101, the general obligation bond bill) for deposit into the state taxable building construction account that are in excess of amounts required to comply with the federal internal revenue service rules and regulations shall be deposited into the state building construction account. The state treasurer shall submit written notification to the director of financial management if it is determined that a shift of appropriation authority between the state building construction account, or any other account receiving bond proceeds, and the state taxable building construction account is necessary, or that a shift of appropriation authority from the state taxable building construction account to the state building construction account may be made.

NEW SECTION. Sec. 7017. (1) Minor works project lists are single line appropriations that include multiple projects of a similar nature and that are valued between \$25,000 and \$1,000,000 each, with the exception of higher education minor works projects that may be valued up to \$2,000,000. Funds appropriated in this act for minor works may not be initially allotted until agencies submit project lists to the office of financial management for review and approval.

(2) Revisions to the project lists, including the addition of projects and the transfer of funds between projects, are allowed but must be submitted to the office of financial management, the house of representatives capital budget committee, and the senate ways and means committee for review and comment, and must include an explanation of variances from prior lists. Any project list revisions must be approved by the office of financial management before funds may be expended from the minor works appropriation.

(3)(a) All minor works projects should be completed within two years of the appropriation with the funding provided.

(b) Agencies are prohibited from including projects on their minor works lists that are a phase of a larger project, and that if combined over a continuous period of time, would exceed \$1,000,000, or \$2,000,000 for higher education minor works projects.

(c) Minor works appropriations may not be used for the following: Studies, except for technical or engineering reviews or designs that lead directly to and support a project on the same minor works list; planning; design outside the scope of work on a minor works list; movable, temporary, and traditionally

funded operating equipment not in compliance with the equipment criteria established by the office of financial management; software not dedicated to control of a specialized system; moving expenses; land or facility acquisition; rolling stock; computers; or to supplement funding for projects with funding shortfalls unless expressly authorized. The office of financial management may make an exception to the limitations described in this subsection (3)(c) for exigent circumstances after notifying the legislative fiscal committees and waiting ten days for comments by the legislature regarding the proposed exception.

(d) Minor works preservation projects may include program improvements of no more than twenty-five percent of the individual minor works preservation project cost.

(e) Improvements for accessibility in compliance with the Americans with disabilities act may be included in any of the minor works categories.

**NEW SECTION. Sec. 7018. FOR THE STATE TREASURER—
TRANSFERS**

(1) Public Works Assistance Account: For transfer to the water pollution control revolving account, up to \$6,000,000 for fiscal year 2020 and up to \$6,000,000 for fiscal year 2021 \$12,000,000

(2) Public Works Assistance Account: For transfer to the drinking water assistance account, up to \$5,500,000 for fiscal year 2020 and up to \$5,500,000 for fiscal year 2021 \$11,000,000

(3)(a) Public Works Assistance Account: For transfer to the statewide broadband account, \$10,775,000 for fiscal year 2020 and \$10,775,000 for fiscal year 2021. \$21,550,000

(b) The transfer identified in this subsection is contingent upon the enactment of chapter . . . , Laws of 2019 (Second Substitute Senate Bill No. 5511, broadband service) by June 30, 2019.

(4) State Building Construction Account: For transfer to the advanced environmental mitigation revolving account, for fiscal year 2020. \$9,000,000

(5)(a) Local Toxics Control Account: For transfer to the cleanup settlement account as repayment of the loan provided in section 7038, chapter 3, Laws of 2015 3rd sp. sess. (capital budget), in an amount not to exceed the actual amount of the total remaining principal and interest of the loan, \$8,000,000 for fiscal year 2020 and \$8,000,000 for fiscal year 2021 \$16,000,000

(b) If Engrossed Substitute Senate Bill No. 5993 is enacted by June 30, 2019, then the treasurer must make this transfer from the model toxics control stormwater account, rather than the local toxics control account.

***NEW SECTION. Sec. 7019.** The department of ecology, in consultation with the department of revenue and the department of transportation, must review its enforcement of the application of the hazardous substance tax to aviation fuels, and develop and submit recommendations to the appropriate legislative committees before the 2020 legislative session regarding application

of state and local taxes, including specifically the hazardous substance tax under chapter 82.21 RCW, to aviation fuels in light of federal restrictions on the proceeds of such taxes.

**Sec. 7019 was vetoed. See message at end of chapter.*

NEW SECTION. Sec. 7020. To the extent that any appropriation authorizes expenditures of state funds from the state building construction account, or from any other capital project account in the state treasury, for a capital project or program that is specified to be funded with proceeds from the sale of bonds, the legislature declares that any such expenditures for that project or program made prior to the issue date of the applicable bonds are intended to be reimbursed from proceeds of those bonds in a maximum amount equal to the amount of such appropriation.

NEW SECTION. Sec. 7021. (1) The department of enterprise services, in consultation with the office of financial management, is granted the authority to sell the real property known as the Tacoma Rhodes complex. The property consists of the Broadway building, Market building, and parking garage.

(2) The department may negotiate a sale with the city of Tacoma for less than fair market value, but the purchase price must cover appraisal costs, all debt service, all closing costs, all financing contracts, and the cost of outstanding liabilities necessary to keep the department whole.

(3) If the department and the city of Tacoma are unable to negotiate agreed upon terms and execute a purchase and sale agreement by December 31, 2019, the department may sell the property to any purchaser for no less than fair market value.

(4) The terms and conditions of the sale must meet the business needs of the state tenants.

(5) Any sale proceeds remaining after the department has satisfied all of the obligations, including appraisal costs, all debt service, all closing costs, all financing contracts, and the cost of outstanding liabilities, must be deposited into the Thurston county capital facilities account.

NEW SECTION. Sec. 7022. (1) The department of natural resources must conduct an asset valuation of state lands and state forestlands held in trust and managed by the department. The analysis required in subsections (3) and (4) of this section may be provided through contracted services.

(2) The department must describe all trust lands, by trust, including timber lands, agricultural lands, commercial lands, and other lands, and identify revenues from leases or other sources for those lands. The department must briefly describe the income from these trust lands, and potential enhancements to income, including intergenerational income, from the asset bases of these trusts.

(3) The analysis must estimate the current fair market value of these lands for each trust beneficiary, including the separate beneficiaries of state lands as defined in RCW 79.02.010, and the beneficiaries of state forestlands as specified in chapter 79.22 RCW. The estimation of current fair market values must specify the values by the various asset classes including, but not limited to, the following asset classes: Timber lands; irrigated agriculture; dryland agriculture, including grazing lands; commercial real estate; mining; and other income production. The analysis must also estimate the value of ecosystem services and recreation benefits for asset classes that produce these benefits. The legislature encourages

the department and its contractors to develop methods and tools to allow tracking of the estimated fair market values over time.

(4) For each of the different asset classes and for each of the various trusts, the analysis must calculate the average annual gross and net income as a percentage of estimated current asset value.

(5) The department must provide a progress report to the legislature by December 1, 2019, which may include any initial recommendations. The final report must be submitted by June 30, 2020, and must include options to:

(a) Improve the net rates of return on different classes of assets;

(b) Increase the reliability of, and enhance if possible, revenue for trust beneficiaries; and

(c) Present and explain factors that either (i) define, (ii) constrict, or (iii) define and constrict the department's management practices and revenue production. The factors to be considered include, but are not limited to, statutory, constitutional, operational, and social factors.

Sec. 7023. RCW 28B.15.210 and 2017 3rd sp.s. c 1 s 952 are each amended to read as follows:

Within thirty-five days from the date of collection thereof, all building fees at the University of Washington, including building fees to be charged students registering in the schools of medicine and dentistry, shall be paid into the state treasury and credited as follows:

One-half or such larger portion as may be necessary to prevent a default in the payments required to be made out of the bond retirement fund to the "University of Washington bond retirement fund" and the remainder thereof to the "University of Washington building account." The sum so credited to the University of Washington building account shall be used exclusively for the purpose of erecting, altering, maintaining, equipping, or furnishing buildings, and for certificates of participation under chapter 39.94 RCW, except for any sums transferred as authorized in RCW 28B.20.725(3). The sum so credited to the University of Washington bond retirement fund shall be used for the payment of principal of and interest on bonds outstanding as provided by chapter 28B.20 RCW except for any sums transferred as authorized in RCW 28B.20.725(5). ~~((During the 2015-2017 biennium, sums credited to the University of Washington building account shall also be used for routine facility maintenance, utility costs, and facility condition assessments.))~~ During the 2017-2019 biennium, sums credited to the University of Washington building account ~~((shall))~~ may also be used for routine facility maintenance, utility costs, and facility condition assessments. During the 2019-2021 biennium, sums credited to the University of Washington building account may also be used for routine facility maintenance, utility costs, and facility condition assessments.

Sec. 7024. RCW 28B.15.310 and 2017 3rd sp.s. c 1 s 953 are each amended to read as follows:

Within thirty-five days from the date of collection thereof, all building fees shall be paid and credited as follows: To the Washington State University bond retirement fund, one-half or such larger portion as may be necessary to prevent a default in the payments required to be made out of such bond retirement fund; and the remainder thereof to the Washington State University building account.

The sum so credited to the Washington State University building account shall be expended by the board of regents for buildings, equipment, or maintenance on the campus of Washington State University as may be deemed most advisable and for the best interests of the university, and for certificates of participation under chapter 39.94 RCW, except for any sums transferred as authorized by law. (~~During the 2015-2017 biennium, sums credited to the Washington State University building account shall also be used for routine facility maintenance, utility costs, and facility condition assessments.~~) During the 2017-2019 biennium, sums credited to the Washington State University building account (~~shall~~) may also be used for routine facility maintenance, utility costs, and facility condition assessments. During the 2019-2021 biennium, sums credited to the Washington State University building account may also be used for routine facility maintenance, utility costs, and facility condition assessments. Expenditures so made shall be accounted for in accordance with existing law and shall not be expended until appropriated by the legislature.

The sum so credited to the Washington State University bond retirement fund shall be used to pay and secure the payment of the principal of and interest on building bonds issued by the university, except for any sums which may be transferred out of such fund as authorized by law.

Sec. 7025. RCW 28B.20.725 and 2018 c 2 s 7019 are each amended to read as follows:

The board is hereby empowered:

(1) To reserve the right to issue bonds later on a parity with any bonds being issued;

(2) To authorize the investing of moneys in the bond retirement fund and any reserve account therein;

(3) To authorize the transfer of money from the University of Washington building account to the bond retirement fund when necessary to prevent a default in the payments required to be made out of such fund;

(4) To create a reserve account or accounts in the bond retirement fund to secure the payment of the principal of and interest on any bonds;

(5) To authorize the transfer to the University of Washington building account of any money on deposit in the bond retirement fund in excess of debt service for a period of three years from the date of such transfer on all outstanding bonds payable out of such fund. (~~However, during the 2015-2017 fiscal biennium, the legislature may transfer to the University of Washington building account moneys that are in excess of the debt service due within the 2015-2017 fiscal biennium from the date of such transfer on all outstanding bonds payable out of the bond retirement fund.~~) However, during the 2017-2019 fiscal biennium, the legislature may transfer to the University of Washington building account moneys that are in excess of the debt service due within the 2017-2019 fiscal biennium from the date of such transfer on all outstanding bonds payable out of the bond retirement fund. However, during the 2019-2021 fiscal biennium, the legislature may transfer to the University of Washington building account moneys that are in excess of the debt service due within the 2019-2021 fiscal biennium from the date of such transfer on all outstanding bonds payable out of the bond retirement fund.

Sec. 7026. RCW 28B.30.750 and 2018 c 2 s 7020 are each amended to read as follows:

The board is hereby empowered:

(1) To reserve the right to issue bonds later on a parity with any bonds being issued;

(2) To authorize the investing of moneys in the bond retirement fund and any reserve account therein;

(3) To authorize the transfer of money from the Washington State University building account to the bond retirement fund when necessary to prevent a default in the payments required to be made out of such fund;

(4) To create a reserve account or accounts in the bond retirement fund to secure the payment of the principal of and interest on any bonds;

(5) To authorize the transfer to the Washington State University building account of any money on deposit in the bond retirement fund in excess of debt service for a period of three years from the date of such transfer on all outstanding bonds payable out of such fund. ~~((However, during the 2015-2017 fiscal biennium, the legislature may transfer to the Washington State University building account moneys that are in excess of the debt service due within the 2015-2017 fiscal biennium from the date of such transfer on all outstanding bonds payable out of the bond retirement fund.))~~ However, during the 2017-2019 fiscal biennium, the legislature may transfer to the Washington State University building account moneys that are in excess of the debt service due within the 2017-2019 fiscal biennium from the date of such transfer on all outstanding bonds payable out of the bond retirement fund. However, during the 2019-2021 fiscal biennium, the legislature may transfer to the Washington State University building account moneys that are in excess of the debt service due within the 2019-2021 fiscal biennium from the date of such transfer on all outstanding bonds payable out of the bond retirement fund.

Sec. 7027. RCW 28B.35.370 and 2017 3rd sp.s. c 1 s 954 are each amended to read as follows:

Within thirty-five days from the date of collection thereof all building fees of each regional university and The Evergreen State College shall be paid into the state treasury and these together with such normal school fund revenues as provided in RCW 28B.35.751 as are received by the state treasury shall be credited as follows:

(1) On or before June 30th of each year the board of trustees of each regional university and The Evergreen State College, if issuing bonds payable out of its building fees and above described normal school fund revenues, shall certify to the state treasurer the amounts required in the ensuing twelve months to pay and secure the payment of the principal of and interest on such bonds. The amounts so certified by each regional university and The Evergreen State College shall be a prior lien and charge against all building fees and above described normal school fund revenues of such institution. The state treasurer shall thereupon deposit the amounts so certified in the Eastern Washington University capital projects account, the Central Washington University capital projects account, the Western Washington University capital projects account, or The Evergreen State College capital projects account respectively, which accounts are hereby created in the state treasury. The amounts deposited in the respective capital projects accounts shall be used to pay and secure the payment

of the principal of and interest on the building bonds issued by such regional universities and The Evergreen State College as authorized by law. If in any twelve-month period it shall appear that the amount certified by any such board of trustees is insufficient to pay and secure the payment of the principal of and interest on the outstanding building and above described normal school fund revenue bonds of its institution, the state treasurer shall notify the board of trustees and such board shall adjust its certificate so that all requirements of moneys to pay and secure the payment of the principal of and interest on all such bonds then outstanding shall be fully met at all times.

(2) All normal school fund revenue pursuant to RCW 28B.35.751 shall be deposited in the Eastern Washington University capital projects account, the Central Washington University capital projects account, the Western Washington University capital projects account, or The Evergreen State College capital projects account respectively, which accounts are hereby created in the state treasury. The sums deposited in the respective capital projects accounts shall be appropriated and expended to pay and secure the payment of the principal of and interest on bonds payable out of the building fees and normal school revenue and for the construction, reconstruction, erection, equipping, maintenance, demolition and major alteration of buildings and other capital assets, and the acquisition of sites, rights-of-way, easements, improvements or appurtenances in relation thereto except for any sums transferred therefrom as authorized by law. ~~((However, during the 2015-2017 biennium, sums in the respective capital accounts shall also be used for routine facility maintenance, utility costs, and facility condition assessments. However,))~~ During the 2017-2019 biennium, sums in the respective capital accounts ~~((shall))~~ may also be used for routine facility maintenance, utility costs, and facility condition assessments. During the 2019-2021 biennium, sums in the respective capital accounts may also be used for routine facility maintenance, utility costs, and facility condition assessments.

(3) Funds available in the respective capital projects accounts may also be used for certificates of participation under chapter 39.94 RCW.

Sec. 7028. RCW 28B.50.360 and 2017 3rd sp.s. c 1 s 955 are each amended to read as follows:

Within thirty-five days from the date of start of each quarter all collected building fees of each such community and technical college shall be paid into the state treasury, and shall be credited as follows:

(1) On or before June 30th of each year the college board, if issuing bonds payable out of building fees, shall certify to the state treasurer the amounts required in the ensuing twelve-month period to pay and secure the payment of the principal of and interest on such bonds. The state treasurer shall thereupon deposit the amounts so certified in the community and technical college capital projects account. Such amounts of the funds deposited in the community and technical college capital projects account as are necessary to pay and secure the payment of the principal of and interest on the building bonds issued by the college board as authorized by this chapter shall be devoted to that purpose. If in any twelve-month period it shall appear that the amount certified by the college board is insufficient to pay and secure the payment of the principal of and interest on the outstanding building bonds, the state treasurer shall notify the college board and such board shall adjust its certificate so that all requirements

of moneys to pay and secure the payment of the principal and interest on all such bonds then outstanding shall be fully met at all times.

(2) The community and technical college capital projects account is hereby created in the state treasury. The sums deposited in the capital projects account shall be appropriated and expended to pay and secure the payment of the principal of and interest on bonds payable out of the building fees and for the construction, reconstruction, erection, equipping, maintenance, demolition and major alteration of buildings and other capital assets owned by the state board for community and technical colleges in the name of the state of Washington, and the acquisition of sites, rights-of-way, easements, improvements or appurtenances in relation thereto, engineering and architectural services provided by the department of enterprise services, and for the payment of principal of and interest on any bonds issued for such purposes. ~~((However, during the 2015-2017 biennium, sums in the capital projects account shall also be used for routine facility maintenance and utility costs. However,))~~ During the 2017-2019 biennium, sums in the capital projects account ((shall)) may also be used for routine facility maintenance and utility costs. During the 2019-2021 biennium, sums in the capital projects account may also be used for routine facility maintenance and utility costs.

(3) Funds available in the community and technical college capital projects account may also be used for certificates of participation under chapter 39.94 RCW.

Sec. 7029. RCW 28B.77.070 and 2018 c 298 s 7014 are each amended to read as follows:

(1) The council shall identify budget priorities and levels of funding for higher education, including the two and four-year institutions of higher education and state financial aid programs. It is the intent of the legislature for the council to make budget recommendations for allocations for major policy changes in accordance with priorities set forth in the ten-year plan, but the legislature does not intend for the council to review and make recommendations on individual institutional budgets. It is the intent of the legislature that recommendations from the council prioritize funding needs for the overall system of higher education in accordance with priorities set forth in the ten-year plan. It is also the intent of the legislature that the council's recommendations take into consideration the total per-student funding at similar public institutions of higher education in the global challenge states.

(2) By December of each odd-numbered year, the council shall outline the council's fiscal priorities under the ten-year plan that it must distribute to the institutions, the state board for community and technical colleges, the office of financial management, and the joint higher education committee.

(a) Capital budget outlines for the two-year institutions shall be submitted to the office of financial management by August 15th of each even-numbered year, and shall include the prioritized ranking of the capital projects being requested, a description of each capital project, and the amount and fund source being requested.

(b) Capital budget outlines for the four-year institutions must be submitted to the office of financial management by August 15th of each even-numbered year, and must include: The institutions' priority ranking of the project; the capital budget category within which the project will be submitted to the office

of financial management in accordance with RCW 43.88D.010; a description of each capital project; and the amount and fund source being requested.

(c) The office of financial management shall reference these reporting requirements in its budget instructions.

(3) The council shall submit recommendations on the operating budget priorities to support the ten-year plan to the office of financial management by October 1st each year, and to the legislature by January 1st each year.

(4)(a) The office of financial management shall develop one prioritized list of capital projects for the legislature to consider that includes all of the projects requested by the four-year institutions of higher education that were scored by the office of financial management pursuant to chapter 43.88D RCW, including projects that were previously scored but not funded. The prioritized list of capital projects shall be based on the following priorities in the following order:

- (i) Office of financial management scores pursuant to chapter 43.88D RCW;
- (ii) Preserving assets;
- (iii) Degree production; and
- (iv) Maximizing efficient use of instructional space.

(b) The office of financial management shall include all of the capital projects requested by the four-year institutions of higher education, except for the minor works projects, in the prioritized list of capital projects provided to the legislature.

(c) The form of the prioritized list for capital projects requested by the four-year institutions of higher education shall be provided as one list, ranked in priority order with the highest priority project ranked number "1" through the lowest priority project numbered last. The ranking for the prioritized list of capital projects may not:

- (i) Include subpriorities;
- (ii) Be organized by category;
- (iii) Assume any state bond or building account biennial funding level to prioritize the list; or
- (iv) Assume any specific share of projects by institution in the priority list.

(5) Institutions and the state board for community and technical colleges shall submit any supplemental capital budget requests and revisions to the office of financial management by November 1st and to the legislature by January 1st.

(6) For the 2017-2019 fiscal biennium and the 2019-2021 fiscal biennium, pursuant to subsection (4) of this section, the office of financial management may, but is not obligated to, develop one prioritized list of capital projects for the legislature to consider that includes all of the projects requested by the four-year institutions of higher education that were scored by the office of financial management pursuant to chapter 43.88D RCW, including projects that were previously scored but not funded.

Sec. 7030. RCW 43.63A.125 and 2011 1st sp.s. c 48 s 7027 are each amended to read as follows:

(1) The department shall establish the building communities fund program. Under the program, capital and technical assistance grants may be made to nonprofit organizations for acquiring, constructing, or rehabilitating facilities used for the delivery of nonresidential community services, including social service centers and multipurpose community centers, including those serving a distinct or ethnic population. Such facilities must be located in a distressed

community or serve a substantial number of low-income or disadvantaged persons.

(2) The department shall establish a competitive process to solicit, evaluate, and rank applications for the building communities fund program as follows:

(a) The department shall conduct a statewide solicitation of project applications from nonprofit organizations.

(b) The department shall evaluate and rank applications in consultation with a citizen advisory committee using objective criteria. To be considered qualified, applicants must demonstrate that the proposed project:

(i) Will increase the range, efficiency, or quality of the services provided to citizens;

(ii) Will be located in a distressed community or will serve a substantial number of low-income or disadvantaged persons;

(iii) Will offer three or more distinct activities that meet a single community service objective or offer a diverse set of activities that meet multiple community service objectives, including but not limited to: Providing social services; expanding employment opportunities for or increasing the employability of community residents; or offering educational or recreational opportunities separate from the public school system or private schools, as long as recreation is not the sole purpose of the facility;

(iv) Reflects a long-term vision for the development of the community, shared by residents, businesses, leaders, and partners;

(v) Requires state funding to accomplish a discrete, usable phase of the project;

(vi) Is ready to proceed and will make timely use of the funds;

(vii) Is sponsored by one or more entities that have the organizational and financial capacity to fulfill the terms of the grant agreement and to maintain the project into the future;

(viii) Fills an unmet need for community services;

(ix) Will achieve its stated objectives; and

(x) Is a community priority as shown through tangible commitments of existing or future assets made to the project by community residents, leaders, businesses, and government partners.

(c) The evaluation and ranking process shall also include an examination of existing assets that applicants may apply to projects. Grant assistance under this section shall not exceed twenty-five percent of the total cost of the project, except, under exceptional circumstances, the department may reduce the amount of nonstate match required. However, during the 2019-2021 biennium, the legislature may waive the match required for the projects specified in section 1009 of this act. No more than ten percent of the total granted amount may be awarded to qualified eligible projects that meet the definition of exceptional circumstances defined in this subsection. For purposes of this subsection, exceptional circumstances include but are not limited to: Natural disasters affecting projects; emergencies beyond an applicant's control, such as a fire or an unanticipated loss of a lease where services are currently provided; or a delay that could result in a threat to public health or safety. The nonstate portion of the total project cost may include cash, the value of real property when acquired solely for the purpose of the project, and in-kind contributions.

(d) The department may not set a monetary limit to funding requests.

(3) The department shall submit biennially to the governor and the legislature in the department's capital budget request a ranked list of the qualified eligible projects for which applications were received. The list must include a description of each project, its total cost, and the amount of state funding requested. The appropriate fiscal committees of the legislature shall use this list to determine building communities fund projects that may receive funding in the capital budget. The total amount of state capital funding available for all projects on the biennial list shall be determined by the capital budget beginning with the 2009-2011 biennium and thereafter. In addition, if cash funds have been appropriated, up to three million dollars may be used for technical assistance grants. The department shall not sign contracts or otherwise financially obligate funds under this section until the legislature has approved a specific list of projects.

(4) In addition to the list of ranked qualified eligible projects, the department shall submit to the appropriate fiscal committees of the legislature a summary report that describes the solicitation and evaluation processes, including but not limited to the number of applications received, the total amount of funding requested, issues encountered, if any, and any recommendations for process improvements.

(5) After the legislature has approved a specific list of projects in law, the department shall develop and manage appropriate contracts with the selected applicants; monitor project expenditures and grantee performance; report project and contract information; and exercise due diligence and other contract management responsibilities as required.

(6) In contracts for grants authorized under this section the department shall include provisions which require that capital improvements shall be held by the grantee for a specified period of time appropriate to the amount of the grant and that facilities shall be used for the express purpose of the grant. If the grantee is found to be out of compliance with provisions of the contract, the grantee shall repay to the state general fund the principal amount of the grant plus interest calculated at the rate of interest on state of Washington general obligation bonds issued most closely to the date of authorization of the grant.

Sec. 7031. RCW 43.83.020 and 2015 1st sp.s. c 4 s 33 are each amended to read as follows:

(1) The state building construction account is hereby established in the state treasury and shall be used exclusively for the purposes of carrying out the provisions of the capital appropriation acts.

(2) During the ~~((2003-2005))~~ 2019-2021 fiscal biennium, the legislature may ~~((transfer))~~ direct the state treasurer to make transfers of moneys from the state building construction account to the ~~((conservation assistance))~~ advanced environmental mitigation revolving account ~~((such amounts as reflect the excess fund balance of the account))~~.

Sec. 7032. RCW 43.88D.010 and 2018 c 298 s 7013 are each amended to read as follows:

(1) By October 1st of each even-numbered year, the office of financial management shall complete an objective analysis and scoring of all capital budget projects proposed by the public four-year institutions of higher education and submit the results of the scoring process to the legislative fiscal committees

and the four-year institutions. Each project must be reviewed and scored within one of the following categories, according to the project's principal purpose. Each project may be scored in only one category. The categories are:

(a) Access-related projects to accommodate enrollment growth at all campuses, at existing or new university centers, or through distance learning. Growth projects should provide significant additional student capacity. Proposed projects must demonstrate that they are based on solid enrollment demand projections, more cost-effectively provide enrollment access than alternatives such as university centers and distance learning, and make cost-effective use of existing and proposed new space;

(b) Projects that replace failing permanent buildings. Facilities that cannot be economically renovated are considered replacement projects. New space may be programmed for the same or a different use than the space being replaced and may include additions to improve access and enhance the relationship of program or support space;

(c) Projects that renovate facilities to restore building life and upgrade space to meet current program requirements. Renovation projects should represent a complete renovation of a total facility or an isolated wing of a facility. A reasonable renovation project should cost between sixty to eighty percent of current replacement value and restore the renovated area to at least twenty-five years of useful life. New space may be programmed for the same or a different use than the space being renovated and may include additions to improve access and enhance the relationship of program or support space;

(d) Major stand-alone campus infrastructure projects;

(e) Projects that promote economic growth and innovation through expanded research activity. The acquisition and installation of specialized equipment is authorized under this category; and

(f) Other project categories as determined by the office of financial management in consultation with the legislative fiscal committees.

(2) The office of financial management, in consultation with the legislative fiscal committees, shall establish a scoring system and process for each four-year project category that is based on the framework used in the community and technical college system of prioritization. Staff from the state board for community and technical colleges and the four-year institutions shall provide technical assistance on the development of a scoring system and process.

(3) The office of financial management shall consult with the legislative fiscal committees in the scoring of four-year institution project proposals, and may also solicit participation by independent experts.

(a) For each four-year project category, the scoring system must, at a minimum, include an evaluation of enrollment trends, reasonableness of cost, the ability of the project to enhance specific strategic master plan goals, age and condition of the facility if applicable, and impact on space utilization.

(b) Each four-year project category may include projects at the predesign, design, or construction funding phase.

(c) To the extent possible, the objective analysis and scoring system of all capital budget projects shall occur within the context of any and all performance agreements between the office of financial management and the governing board of a public, four-year institution of higher education that aligns goals, priorities,

desired outcomes, flexibility, institutional mission, accountability, and levels of resources.

(4) In evaluating and scoring four-year institution projects, the office of financial management shall take into consideration project schedules that result in realistic, balanced, and predictable expenditure patterns over the ensuing three biennia.

(5) The office of financial management shall distribute common definitions, the scoring system, and other information required for the project proposal and scoring process as part of its biennial budget instructions. The office of financial management, in consultation with the legislative fiscal committees, shall develop common definitions that four-year institutions must use in developing their project proposals and lists under this section.

(6) In developing any scoring system for capital projects proposed by the four-year institutions, the office of financial management:

(a) Shall be provided with all required information by the four-year institutions as deemed necessary by the office of financial management;

(b) May utilize independent services to verify, sample, or evaluate information provided to the office of financial management by the four-year institutions; and

(c) Shall have full access to all data maintained by the joint legislative audit and review committee concerning the condition of higher education facilities.

(7) By August 1st of each even-numbered year each public four-year higher education institution shall prepare and submit prioritized lists of the individual projects proposed by the institution for the ensuing six-year period in each category. The lists must be submitted to the office of financial management and the legislative fiscal committees. The four-year institutions may aggregate minor works project proposals by primary purpose for ranking purposes. Proposed minor works projects must be prioritized within the aggregated proposal, and supporting documentation, including project descriptions and cost estimates, must be provided to the office of financial management and the legislative fiscal committees.

(8) For the 2017-2019 fiscal biennium and the 2019-2021 fiscal biennium, pursuant to subsection (1) of this section, by November 1, (~~2018~~) 2020, the office of financial management must score higher education capital project criteria with a rating scale that assesses how well a particular project satisfies those criteria. The office of financial management may not use a rating scale that weighs the importance of those criteria.

(9) For the 2017-2019 fiscal biennium and the 2019-2021 fiscal biennium, pursuant to subsection (6)(a) of this section and in lieu of the requirements of subsection (7) of this section, by August 15, (~~2018~~) 2020, the institutions of higher education shall prepare and submit or resubmit to the office of financial management and the legislative fiscal committees:

(a) Individual project proposals developed pursuant to subsection (1) of this section;

(b) Individual project proposals scored in prior biennia pursuant to subsection (1) of this section; and

(c) A prioritized list of up to five project proposals submitted pursuant to (a) and (b) of this subsection.

Sec. 7033. RCW 43.155.050 and 2017 3rd sp.s. c 10 s 5 and 2017 3rd sp.s. c 1 s 974 are each reenacted and amended to read as follows:

The public works assistance account is hereby established in the state treasury. Money may be placed in the public works assistance account from the proceeds of bonds when authorized by the legislature or from any other lawful source. Money in the public works assistance account shall be used to make loans and grants and to give financial guarantees to local governments for public works projects. Moneys in the account may also be appropriated or transferred to the water pollution control revolving account [fund] and the drinking water assistance account to provide for state match requirements under federal law. Not more than twenty percent of the biennial capital budget appropriation to the public works board from this account may be expended or obligated for preconstruction loans and grants, emergency loans and grants, or loans and grants for capital facility planning under this chapter. Not more than ten percent of the biennial capital budget appropriation to the public works board from this account may be expended or obligated as grants for preconstruction, emergency, capital facility planning, and construction projects. (~~During the 2015-2017 fiscal biennium, the legislature may transfer from the public works assistance account to the general fund, the water pollution control revolving account [fund], and the drinking water assistance account such amounts as reflect the excess fund balance of the account.~~) During the ((2015-2017 and)) 2017-2019 and 2019-2021 fiscal biennia, the legislature may appropriate moneys from the account for activities related to rural economic development, the growth management act, the aviation revitalization loan program, the community economic revitalization board broadband program, and the voluntary stewardship program. During the 2015-2017 fiscal biennium, the legislature may transfer from the public works assistance account to the state general fund such amounts as specified by the legislature. During the 2017-2019 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the public works assistance account to the education legacy trust account. It is the intent of the legislature that this policy will be continued in subsequent fiscal biennia. If chapter . . . Laws of 2019 (Second Substitute Senate Bill No. 5511, broadband service) is enacted by June 30, 2019, then during the 2019-2021 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the public works assistance account to the statewide broadband account.

Sec. 7034. RCW 70.148.020 and 2016 sp.s. c 35 s 6013 and 2016 c 161 s 15 are each reenacted and amended to read as follows:

(1) The pollution liability insurance program trust account is established in the custody of the state treasurer. All funds appropriated for this chapter and all premiums collected for reinsurance shall be deposited in the account. Except as provided in chapter 70.340 RCW, expenditures from the account shall be used exclusively for the purposes of this chapter including payment of costs of administering the pollution liability insurance and underground storage tank community assistance programs. Expenditures for payment of administrative and operating costs of the agency are subject to the allotment procedures under chapter 43.88 RCW and may be made only after appropriation by statute. No appropriation is required for other expenditures from the account.

(2) Each calendar quarter, the director shall report to the insurance commissioner the loss and surplus reserves required for the calendar quarter. The director shall notify the department of revenue of this amount by the fifteenth day of each calendar quarter.

(3) ~~((During the 2015-2017 fiscal biennium, the legislature may transfer from the pollution liability insurance program trust account to the underground storage tank revolving account such amounts as reflect the excess fund balance of the account.))~~ During the 2019-2021 fiscal biennium, the legislature may make appropriations from the pollution liability insurance program trust account for the leaking tank model remedies activity.

(4) This section expires July 1, 2030.

Sec. 7035. RCW 90.94.090 and 2018 c 1 s 301 are each amended to read as follows:

(1) A joint legislative task force on water resource mitigation is established to review the treatment of surface water and groundwater appropriations as they relate to instream flows and fish habitat, to develop and recommend a mitigation sequencing process and scoring system to address such appropriations, and to review the Washington supreme court decision in *Foster v. Department of Ecology*, 184 Wn.2d 465, 362 P.3d 959 (2015).

(2) The task force must consist of the following members:

(a) Two members from each of the two largest caucuses of the senate, appointed by the president of the senate;

(b) Two members from each of the two largest caucuses of the house of representatives, appointed by the speaker of the house of representatives;

(c) A representative from the department, appointed by the director of the department;

(d) A representative from the department of fish and wildlife, appointed by the director of the department of fish and wildlife;

(e) A representative from the department of agriculture, appointed by the director of the department of agriculture;

(f) One representative from each of the following groups, appointed by the consensus of the cochair of the task force:

(i) An organization representing the farming industry in Washington;

(ii) An organization representing Washington cities;

(iii) Two representatives from an environmental advocacy organization or organizations;

(iv) An organization representing municipal water purveyors;

(v) An organization representing business interests;

(vi) Representatives of two federally recognized Indian tribes, one invited by recommendation of the Northwest Indian fisheries commission, and one invited by recommendation of the Columbia river intertribal fish commission.

(3) If a member has not been designated for a position set forth in subsection (2) of this section, that position may not be counted for purposes of determining a quorum.

(4) One cochair of the task force must be a member of the majority caucus of one chamber of the legislature, and one cochair must be a member of the minority caucus of the other chamber of the legislature, as those caucuses existed as of January 19, 2018.

~~((4))~~ (5) The first meeting of the task force must occur by June 30, 2018.

~~((5))~~ (6) Staff support for the task force must be provided by the office of program research and senate committee services. The department and the department of fish and wildlife shall cooperate with the task force and provide information as the cochairs reasonably request.

~~((6))~~ (7) Within existing appropriations, the expenses of the operations of the task force, including the expenses associated with the task force's meetings, must be paid jointly and in equal amounts by the senate and the house of representatives. Task force expenditures are subject to approval by the house executive rules committee and the senate facility and operations committee. Legislative members of the task force are reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW.

~~((7))~~ (8)(a) By November 15, 2019, the joint legislative task force must make recommendations to the legislature in compliance with RCW 43.01.036. The task force may update its November 15, 2019, recommendations by November 15, 2020, if a majority of the members of the task force determine that such an update is appropriate based on additional information developed as a result of the pilot projects established under subsection (9) of this section.

(b) Recommendations of the joint legislative task force must be made by a sixty percent majority of the appointed members of the task force. The representatives of the departments of fish and wildlife, ecology, and agriculture are not eligible to vote on the recommendations. Minority recommendations that achieve the support of at least five of the ~~((named))~~ appointed voting members of the task force may also be submitted to the legislature.

~~((8))~~ (9) The department shall issue permit decisions for up to five water resource mitigation pilot projects. It is the intent of the legislature to use the pilot projects to inform the legislative task force process while also enabling the processing of water right applications that address water supply needs. The department is authorized to issue permits in reliance upon water resource mitigation of impacts to instream flows and closed surface water bodies under the following mitigation sequence:

(a) Avoiding impacts by: (i) Complying with mitigation required by adopted rules that set forth minimum flows, levels, or closures; or (ii) making the water diversion or withdrawal subject to the applicable minimum flows or levels; or

(b) Where avoidance of impacts is not reasonably attainable, minimizing impacts by providing permanent new or existing trust water rights or through other types of replacement water supply resulting in no net annual increase in the quantity of water diverted or withdrawn from the stream or surface water body and no net detrimental impacts to fish and related aquatic resources; or

(c) Where avoidance and minimization are not reasonably attainable, compensating for impacts by providing net ecological benefits to fish and related aquatic resources in the water resource inventory area through in-kind or out-of-kind mitigation or a combination thereof, that improves the function and productivity of affected fish populations and related aquatic habitat. Out-of-kind mitigation may include instream or out-of-stream measures that improve or enhance existing water quality, riparian habitat, or other instream functions and

values for which minimum instream flows or closures were established in that watershed.

~~((9))~~ (10) The department must monitor the implementation of the pilot projects, including all mitigation associated with each pilot project, approved under this section at least annually through December 31, 2028.

~~((40))~~ (11) The pilot projects eligible for processing under this section, based on criteria as of January 19, 2018, include:

(a) A city operating a group A water system in Kitsap county and water resource inventory area 15, with a population between 13,000 and 14,000;

(b) A city operating a group A water system in Pierce county and water resource inventory area 10, with a population between 9,500 and 10,500;

(c) A city operating a group A water system in Thurston county and water resource inventory area 11, with a population between 8,500 and 9,500;

(d) A nonprofit mutual water system operating a group A water system in Pierce county and water resource inventory area 12, with between 10,500 and 11,500 service connections; and

(e) An irrigation district located in Whatcom county and water resource inventory area 1, solely for the purpose of processing changes of water rights from surface water to groundwater, and implementing flow augmentation to benefit instream flows.

~~((44))~~ (12) Water right applicants eligible to be processed under this pilot project authority must elect to be included in the pilot project review by notifying the department by July 1, 2018. Once an applicant notifies the department of its intent to be processed under this pilot project authority, subsection ~~((8))~~ (9) of this section applies to final decisions issued by the department, even if such a final decision is issued after the expiration of this section.

~~((42))~~ (13) By November 15, 2018, the department must furnish the task force with information on conceptual mitigation plans for each water resource mitigation pilot project application. By November 15, 2019, the department must provide the task force with an update on the mitigation plans based on additional information developed after November 15, 2018.

~~((43))~~ (14) To ensure that the processing of pilot project applications can inform the task force process in a timely manner, the department must expedite processing of applications for water resource mitigation pilot projects. The applicant for each pilot project must reimburse the department for the department's costs of processing the applicant's application.

~~((44))~~ (15) The water resource mitigation pilot project authority granted to the department does not affect or modify any other procedural requirements of chapter 90.03, 90.44, or 90.54 RCW that apply to the processing of such applications.

~~((45))~~ (16) The joint legislative task force expires December 31, ~~((2019))~~ 2020. During the period from November 16, 2019, through December 31, 2020, the work of the task force is limited to:

(a) A review of any additional information that may be developed after November 15, 2019, as a result of the pilot projects established under subsection (9) of this section; and

(b) An update of the task force's November 15, 2019, recommendations under subsection (8) of this section.

~~((16))~~ (17) This section expires January 1, 2029.

NEW SECTION. Sec. 7036. The joint legislative task force created in 2018 c 298 s 7011 (uncodified) is hereby reauthorized through June 30, 2021, subject to the requirements that studies and selection of scientists or organizations to implement the studies must be made by a sixty percent majority of the members of the task force and that if a member has not been designated for a position set forth in subsection (2) of 2018 c 298 s 7011 (uncodified), that position may not be counted for purposes of determining a quorum.

Sec. 7037. 2018 c 298 s 7010 (uncodified) is amended to read as follows:

The public use general aviation airport loan revolving account is created in the custody of the state treasurer. All receipts from moneys collected under ~~((section 4002, chapter 2, Laws of 2018, section 4002 of this act, and sections 1 through 8, chapter . . . (Substitute House Bill No. 1656), Laws of 2018))~~ sections 6023 and 4005 of this act must be deposited into the account. Expenditures from the account may be used only for the purposes described in ~~((section 4002, chapter 2, Laws of 2018, section 4002 of this act, and sections 1 through 8, chapter . . . (Substitute House Bill No. 1656), Laws of 2018))~~ sections 6023 and 4005 of this act. Only the community aviation revitalization board or the board's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

NEW SECTION. Sec. 7038. UNIVERSITY OF WASHINGTON TRANSFER TO SEATTLE. By June 30, 2020, the University of Washington must transfer the deed of the property and general purpose facility, King County parcel number 308500-2100, located at 2901 27th Avenue South, Seattle, to the city of Seattle for the purposes of developing affordable housing for households at or below eighty percent of the area median income and providing health care services in partnership with a public hospital system. The University of Washington may reserve easements in the transferred property at no cost to the university. The transfer shall count toward the obligation to build affordable housing under the university's institutional campus master plan agreement. Liabilities existing on the property at the time of transfer will transfer with the property. When the deed is transferred to the city, any existing leases of the property expire. The transfer must be at no cost to the city.

NEW SECTION. Sec. 7039. PROPERTY TRANSFER SEATTLE CENTRAL. If House Bill No. 1918 (community preservation auth.) is enacted by June 30, 2019, the Seattle Central College must transfer the deed of the property located at 2120 South Jackson Street, Seattle, Washington 98144, to the community preservation and development authority established in the bill. The transfer must be made by no later than June 30, 2021, once the community preservation and development authority has selected board members. The transfer must be at no cost to the community preservation and development authority.

NEW SECTION. Sec. 7040. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 7041. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the House April 28, 2019.

Passed by the Senate April 27, 2019.

Approved by the Governor May 21, 2019, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 21, 2019.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Sections 1029(5), 1043(3), 1082(2), 1083(2), 1091(2), 3102, and 7019, Substitute House Bill No. 1102 entitled:

"AN ACT Relating to the capital budget."

Section 1029(5), page 17, Department of Commerce, 2019-21 Housing Trust Fund Program (40000036)

I commend the Legislature for the capital budget appropriation of \$175 million for the Housing Trust Fund program. This vital funding will help preserve and build affordable units to address our state's housing crisis. I share the concern that some projects serving those most in need lack sufficient funding streams to support long-term operations and services. However, Section 1029(5) directs Commerce to prioritize loan deferral for nearly all projects funded by the Housing Trust Fund. This proviso does not recognize that most of these projects serve a mix of households, including many that pay rent. Loan repayments from developers who receive rental income are reinvested in future Housing Trust Fund projects. I am directing the department to work with stakeholders and legislators to develop a fair and transparent policy for loan repayments, with the goal of ensuring the long-term viability of the state's affordable housing investments. For these reasons, I have vetoed Section 1029(5).

Section 1043(3), page 45, Department of Commerce, Washington Broadband Program (40000117)

I appreciate the bipartisan effort to pass the Washington state broadband service bill (Second Substitute Senate Bill 5511) to expand affordable, resilient broadband service. The bill lays out the roles and responsibilities of the agencies involved, including the Governor's statewide broadband office, Public Works Board (PWB), Community Economic Revitalization Board (CERB), Department of Commerce, and Utilities and Transportation Commission (UTC). However, Section 1043(3) contains language requiring the PWB to collaborate with CERB to implement the funding provided in the Universal Communications Services Account. This account funds the state universal communications services program administered by the UTC, and by statute only the UTC may authorize expenditures from the account. For this reason, I have vetoed Section 1043(3).

Section 1082(2), page 63, Department of Enterprise Services, Roof Replacement—Cherberg and Insurance Buildings (40000032)

This appropriation is for the replacement and construction of the Insurance and Cherberg Building roofs. This amount assumes cost savings by completing both roofs at the same time. Section 1082(2) limits the ability to complete this project by requiring the completion of the Cherberg Building roof before beginning work on the Insurance Building. For this reason, I have vetoed Section 1082(2).

Section 1083(2), pages 63-64, Department of Enterprise Services, Legislative Building Exterior Preservation Cleaning (40000033)

This reappropriation is for cleaning the exterior of the Legislative Building and to make various repairs. Section 1083(2) sets unrealistic expectations for what the department will be able to complete within the amount appropriated. For this reason, I have vetoed Section 1083(2). However, the department will continue the cleaning and repair work with the funding provided.

Section 1091(2), pages 66-67, Department of Enterprise Services, Legislative Building Cleaning (92000028)

This appropriation is for cleaning the exterior of Capitol Campus buildings, beginning with the Insurance Building. Section 1091(2) sets unrealistic expectations for what the department will be able to complete within the amount appropriated. For this reason, I have vetoed Section 1091(2). However, the department will continue the cleaning and repair work with the funding provided.

Section 3102, page 140, Department of Ecology, Port of Port Angeles Stormwater (91000358)

The appropriation in Section 3102 is duplicative of Section 129 of the 2019-21 operating budget (Engrossed Substitute House Bill 1109). For this reason, I have vetoed Section 3102.

Section 7019, pages 315-316, Review of Hazardous Substance Tax

This section directs the Department of Ecology, in consultation with the Department of Revenue and the Department of Transportation, to review the enforcement of the application of the hazardous substance tax to aviation fuels and submit recommendations to the appropriate legislative committees for the application of all state and local taxes to these fuels. The budget did not include funding for this effort and the cost of this work cannot be absorbed. However, I am directing the Office of Financial Management to collaborate with these agencies to examine revenue and expenditure data in light of any relevant federal regulations. For these reasons, I have vetoed Section 7019.

For these reasons I have vetoed Sections 1029(5), 1043(3), 1082(2), 1083(2), 1091(2), 3102, and 7019 of Substitute House Bill No. 1102.

With the exception of Sections 1029(5), 1043(3), 1082(2), 1083(2), 1091(2), 3102, and 7019, Substitute House Bill No. 1102 is approved."

CHAPTER 414

[Substitute House Bill 1101]

GENERAL OBLIGATION BONDS--CAPITAL BUDGET

AN ACT Relating to state general obligation bonds and related accounts; adding new sections to chapter 43.100A RCW; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. For the purpose of providing funds to finance the projects described and authorized by the legislature in the omnibus capital and operating appropriations acts for the 2017-2019 and 2019-2021 fiscal biennia, and all costs incidental thereto, the state finance committee is authorized to issue general obligation bonds of the state of Washington in the sum of three billion two hundred million nine hundred twenty-six thousand dollars, or as much thereof as may be required, to finance these projects and all costs incidental thereto. Bonds authorized in this section may be sold at such price as the state finance committee shall determine. No bonds authorized in this section may be offered for sale without prior legislative appropriation of the net proceeds of the sale of the bonds.

NEW SECTION. Sec. 2. (1) The proceeds from the sale of bonds authorized in section 1 of this act shall be deposited in the state building construction account created by RCW 43.83.020. The proceeds shall be transferred as follows:

(a) Three billion twenty-four million two hundred ninety-two thousand dollars to remain in the state building construction account created by RCW 43.83.020;

(b) One hundred seventy-six million six hundred thirty-four thousand dollars to the state taxable building construction account. All receipts from taxable bonds issued are to be deposited into the account. If the state finance

committee deems it necessary or advantageous to issue more than the amount specified in this subsection (1)(b) as taxable bonds in order to comply with federal internal revenue service rules and regulations pertaining to the use of nontaxable bond proceeds or in order to reduce the total financing costs for bonds issued, the proceeds of such additional taxable bonds shall be transferred to the state taxable building construction account in lieu of any transfer otherwise provided by this section. If the state finance committee determines that a portion of the amount specified in this subsection (1)(b) as taxable bonds may be issued as nontaxable bonds in compliance with federal internal revenue service rules and regulations pertaining to the use of nontaxable bond proceeds, then such bond proceeds shall be transferred to the state building construction account in lieu of the transfer to the state taxable building construction account otherwise provided by this subsection (1)(b). The state treasurer shall submit written notice to the director of financial management if it is determined that any such additional transfer to the state taxable building construction account is necessary or that a transfer from the state taxable building construction account to the state building construction account may be made. Moneys in the account may be spent only after appropriation.

(2)(a) The treasurer shall transfer bond proceeds deposited in the state building construction account into the outdoor recreation account created by RCW 79A.25.060, the habitat conservation account created by RCW 79A.15.020, the farm and forest account created by RCW 79A.15.130, and the early learning facilities development account created by RCW 43.31.569, at various times and in various amounts necessary to support authorized expenditures from those accounts.

(b) The treasurer shall transfer bond proceeds deposited in the state taxable building construction account into the early learning facilities revolving account created by RCW 43.31.569, at various times and in various amounts necessary to support authorized expenditures from that account.

(3) These proceeds shall be used exclusively for the purposes specified in this section and for the payment of expenses incurred in the issuance and sale of the bonds issued for the purposes of this section, and shall be administered by the office of financial management subject to legislative appropriation.

NEW SECTION. Sec. 3. (1) The debt-limit general fund bond retirement account shall be used for the payment of the principal of and interest on the bonds authorized in section 1 of this act.

(2) The state finance committee shall, on or before June 30th of each year, certify to the state treasurer the amount needed in the ensuing twelve months to meet the bond retirement and interest requirements on the bonds authorized in section 1 of this act.

(3) On each date on which any interest or principal and interest payment is due on bonds issued for the purposes of section 2 (1) and (2) of this act the state treasurer shall withdraw from any general state revenues received in the state treasury and deposit in the debt-limit general fund bond retirement account an amount equal to the amount certified by the state finance committee to be due on the payment date.

NEW SECTION. Sec. 4. (1) Bonds issued under section 1 of this act shall state that they are a general obligation of the state of Washington, shall pledge

the full faith and credit of the state to the payment of the principal thereof and the interest thereon, and shall contain an unconditional promise to pay the principal and interest as the same shall become due.

(2) The owner and holder of each of the bonds or the trustee for the owner and holder of any of the bonds may by mandamus or other appropriate proceeding require the transfer and payment of funds as directed in this section.

NEW SECTION. Sec. 5. The legislature may provide additional means for raising moneys for the payment of the principal of and interest on the bonds authorized in section 1 of this act, and sections 2 and 3 of this act shall not be deemed to provide an exclusive method for the payment.

NEW SECTION. Sec. 6. Sections 1 through 5 of this act are each added to chapter 43.100A RCW.

NEW SECTION. Sec. 7. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 8. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the House April 28, 2019.

Passed by the Senate April 27, 2019.

Approved by the Governor May 21, 2019.

Filed in Office of Secretary of State May 21, 2019.

AUTHENTICATION

I, Kathleen Buchli, Code Reviser of the State of Washington, certify that, with the exception of such corrections as I have made in accordance with the powers vested in me by RCW 44.20.060, the laws published in this volume are a true and correct reproduction of the copies of the enrolled laws of the 2019 session (66th Legislature), chapters 325 through 414, as certified and transmitted to the Statute Law Committee by the Secretary of State under RCW 44.20.020.

IN TESTIMONY WHEREOF, I have hereunto set my hand at Olympia, Washington, this 29th day of May, 2019.

A handwritten signature in black ink, appearing to read "Kathleen Buchli". The signature is written in a cursive style with a large initial "K".

Kathleen Buchli
Code Reviser