63RD WASHINGTON STATE LEGISLATURE

FINAL LEGISLATIVE REPORT

2014

This edition of the 2014 Final Legislative Report is available from the:

Legislative Information Center
106 Legislative Building
PO Box 40600
Olympia, WA 98504-0600

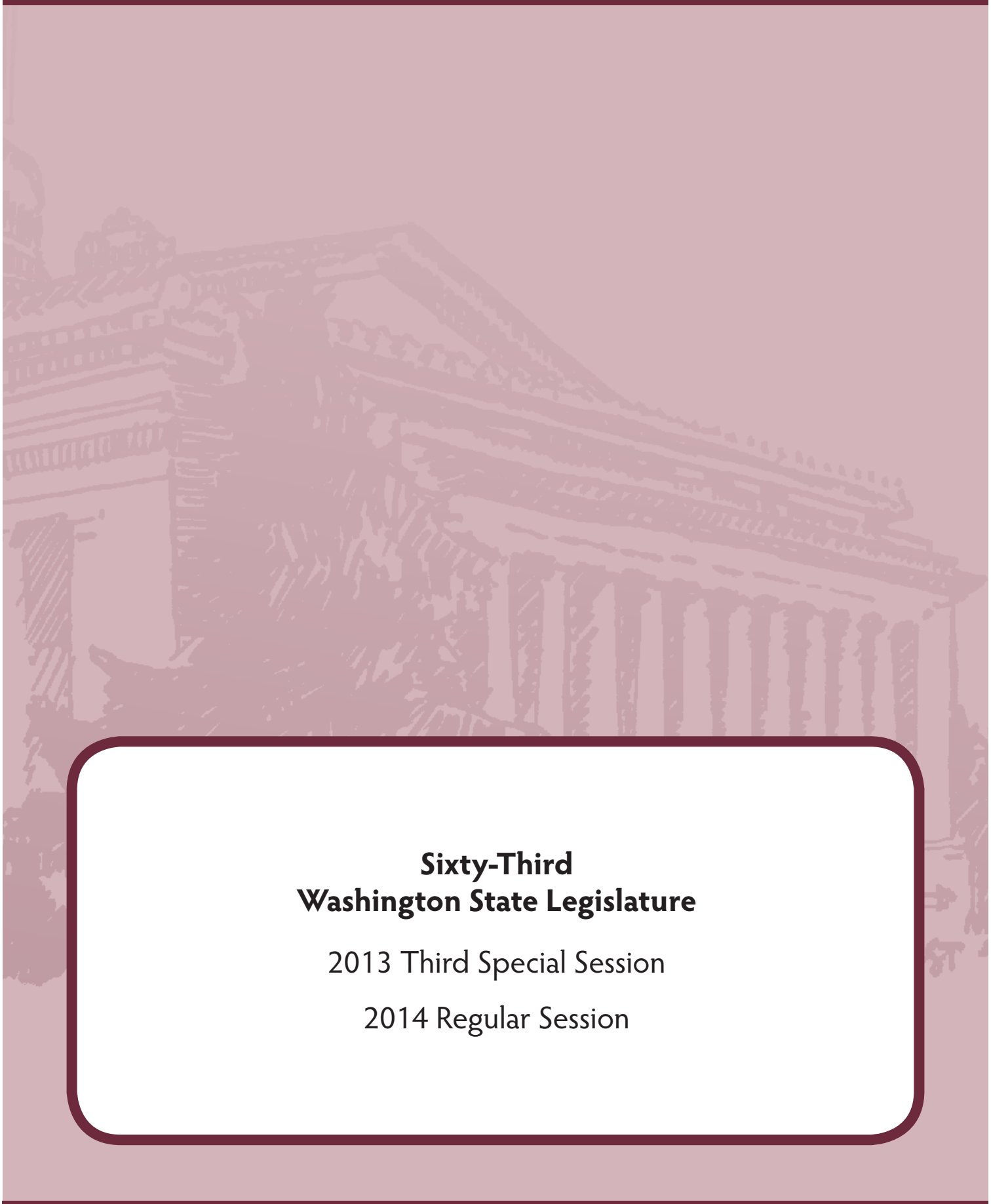
In accordance with RCW 42.56.120, this report is available for a fee
based on actual reproduction costs.

The reports for this publication are prepared by non-partisan legislative staff after final passage of bills. The reports are not a part of the legislation and do not constitute statements of legislative intent.

For more detailed information regarding 2014 legislation, contact the:

House Office of Program Research
230 John L. O'Brien Building
PO Box 40600
Olympia, WA 98504-0600
(360) 786-7100

Senate Committee Services
447 John A. Cherburg Building
PO Box 40466
Olympia, WA 98504-0466
(360) 786-7400



Sixty-Third Washington State Legislature

2013 Third Special Session

2014 Regular Session

This Page Intentionally Left Blank

Table of Contents

Statistical Summary

2013 Third Special Session of the 63rd Legislature
2014 Regular Session of the 63rd Legislature

Bills Before Legislature	Introduced	Passed Legislature	Vetoed	Partially Vetoed	Enacted
2013 Third Special Session (November 7- November 9)					
House	3	1	0	0	1
Senate	2	1	0	0	1
TOTALS	**5**	**2**	**0**	**0**	**2**
2014 Regular Session (January 13 - March 13)					
House	714	120	2	6	118
Senate	631	109	2	7	107
TOTALS	**1345**	**229**	**4**	**13**	**225**

Joint Memorials, Joint Resolutions and Concurrent Resolutions Before Legislature	Introduced	Filed with the Secretary of State
2013 Third Special Session (November 7- November 9)		
House	1	1
Senate	2	2
TOTALS	**3**	**3**
2014 Regular Session (January 13 - March 13)		
House	11	2
Senate	16	6
TOTALS	**27**	**8**

Initiatives & Tax Advisories		
2013 Third Special Session (November 7- November 9)	**0**	**0**
2014 Regular Session (January 13 - March 13)	**7**	**3**
Gubernatorial Appointments	**Referred**	**Confirmed**
2013 Third Special Session (November 7- November 9)	**0**	**0**
2014 Regular Session (January 13 - March 13)	**121**	**64**

Historical - Bills Passed Legislature

Ten-Year Average				Actual			
	Odd Years	Even Years	Biennial	2013 3rd Special	2013	2014	2013-14
House Bills	274	163	437	1	194	120	314
Senate Bills	215	148	363	1	181	109	290
TOTALS	**489**	**311**	**800**	**2**	**375**	**229**	**604**

Section I: Legislation Passed

This Page Intentionally Left Blank

Numerical List

SENATE BILLS

SENATE MEMORIALS AND RESOLUTIONS

ESHB 1090

C 23 L 14

Increasing the dollar amount for construction of a dock that does not qualify as a substantial development under the shoreline management act.

By House Committee on Local Government (originally sponsored by Representatives Shea, Reykdal, Crouse, Holy, Springer and Dahlquist).

House Committee on Local Government
Senate Committee on Natural Resources & Parks

Background: The Shoreline Management Act (SMA) was enacted in 1971, and it governs uses of the shorelines of the state. With some exceptions, shorelines of the state are all water areas of the state, the land underlying them, including reservoirs, and their associated shorelands. Shorelands include lands that extend landward 200 feet in all directions as measured on a horizontal plane from the ordinary high water mark and certain floodways and contiguous floodplain areas, wetlands, and river deltas.

The SMA provides for a cooperative regulatory approach between state and local governments (counties, cities, or towns that contain within their boundaries any lands or waters subject to the SMA). All counties and cities with shorelines of the state must adopt and enforce a local shoreline master program (master program), which is comprised of each jurisdiction's comprehensive use plan, shoreline use regulations, statement of goals, and standards developed in accordance with policies enumerated in statute. Master programs must be consistent with guidelines adopted by the Department of Ecology (DOE). Master programs, and any segments of or amendments to the programs, become effective when approved by the DOE.

The master program guidelines adopted by the DOE were revised in 2003 by rule.

Development Permits Under the Shoreline Management Act. Prior to undertaking any substantial development on the shorelines of the state, the SMA requires a property owner or developer to first obtain a substantial development permit. A substantial development is any development with a total cost or fair market value exceeding $5,000, or any development that materially interferes with the normal public use of the water or shorelines of the state. Under the SMA, certain developments are not considered substantial developments and are exempt from the substantial development permitting requirement.

Construction of a Dock. Under certain circumstances, construction of a dock is not considered a "substantial development" for purposes of the SMA. To qualify for this exemption, the dock must:

- be designed for pleasure craft use only;
- be designed for private noncommercial use by the: (1) owner, (2) lessee, or (3) contract purchaser of single and multiple family residences; and
- have a fair market value that does not exceed $2,500 in salt waters, or $10,000 in fresh waters.

If subsequent dock construction within five years of completion of prior dock construction has a fair market value exceeding $2,500, then the subsequent construction is considered a substantial development subject to the SMA permitting requirements.

Consumer Price Index. The consumer price index for urban wage earners and clerical workers (CPI-W) is an index prepared and published by the Bureau of Labor Statistics of the United States Department of Labor, which measures the average change in prices of goods and services. It is used to illustrate the extent that prices have risen or the amount of inflation that has taken place.

Summary: For construction of certain docks in fresh waters, the dollar threshold (below which dock construction is not considered a substantial development subject to permitting requirements of the SMA) is increased to $20,000. Docks constructed in fresh waters that meet the following criteria are subject to the $20,000 threshold: (1) the dock replaces an existing dock; (2) the dock has equal or lesser square footage than the dock being replaced; and (3) the dock is located in a jurisdiction that has updated its master program consistent with the 2003 guidelines adopted by the DOE. All other docks constructed in fresh waters continue to be subject to the $10,000 threshold.

A provision governing combined fair market value of subsequent and prior dock construction for purposes of determining whether subsequent dock construction is a "substantial development" subject to the SMA permitting requirements is modified. Where subsequent dock construction occurs within five years of completion of prior dock construction, and the combined fair market value of the prior and subsequent construction exceeds the applicable dollar threshold for salt waters ($2,500) or for fresh waters ($10,000 or $20,000), the subsequent construction is considered a substantial development.

The fresh water dollar thresholds must be adjusted for inflation by the Office of Financial Management (OFM) every five years, beginning July 1, 2018, using the consumer price index for urban wage earners and clerical workers (CPI-W) for the Seattle, Washington area. The OFM must calculate and transmit the new dollar thresholds, rounded to the nearest $100, to the Office of the Code Reviser for publication at least one month before they are to take effect.

Votes on Final Passage:

House	95	0
House	97	0
Senate	49	0

Effective: June 12, 2014

2ESHB 1117

C 58 L 14

Concerning the transfer of real property by deed taking effect at the grantor's death.

By House Committee on Judiciary (originally sponsored by Representatives Hansen, Rodne and Pedersen; by request of Uniform Laws Commission).

House Committee on Judiciary
Senate Committee on Law & Justice

Background: A lifetime transfer of real property is typically accomplished through execution of a deed, which is an instrument that conveys legal title to property from one person to another. In order to be lawfully executed, a deed must be in writing and contain identification of the parties, a description of the land, words indicating that title is to pass, and an acknowledged signature of the transferor.

In most circumstances, the real property that a person holds at death must pass through the probate process. Probate is the legal procedure through which a will is proven, creditor claims are paid, and the assets of the estate are distributed to beneficiaries. If the deceased person left a validly executed will, the instructions in the will generally govern who will inherit the property; if not, the estate assets pass pursuant to intestate succession. To create a valid will, certain formal requirements must be met, and the person creating the will must have the requisite testamentary capacity. The person must be able to recognize the extent and nature of property owned, have knowledge of the beneficiaries to whom the property is to pass, and understand the testamentary significance of the will.

Not all property is subject to the probate process. Nonprobate assets, like life insurance proceeds and joint with right of survivorship bank accounts, pass on a person's death according to written instruments other than a will that designate beneficiaries. Real property can only pass outside of probate in limited circumstances, for instance, if it is held in joint tenancy, subject to a community property agreement, or held in a trust.

Summary: An individual may transfer real property to one or more beneficiaries effective at the transferor's death by executing and recording a transfer on death (TOD) deed. A transfer by a TOD deed is a nontestamentary transfer, however the capacity required to make or revoke a TOD deed is the same as the capacity required to make a will. A TOD deed must contain the essential elements and formalities of a properly recordable deed and must state that the transfer to the designated beneficiary is to occur at the transferor's death. The deed must be recorded prior to the transferor's death in the public records office of the county auditor in the county in which the property is located.

A TOD deed is fully revocable during the transferor's lifetime, even if the deed or another instrument contains a contrary provision. Once the deed is recorded, a revocatory act on the deed itself is not sufficient to revoke the deed, although various written instruments, if acknowledged and recorded before the transferor's death, are effective to revoke a TOD deed. If a TOD deed is made by more than one person, revocation by one transferor will not affect the deed as to the interest of another transferor.

Beneficiaries have no present interest in the property until the TOD deed takes effect at the transferor's death and need not be notified of the pending interest during the transferor's lifetime in order for the TOD deed to be effective. At the transferor's death, the transferor's interest in the property passes automatically to the beneficiary, subject to applicable taxes and all other interests in the property including liens, mortgages, and other encumbrances. Beneficiaries may disclaim the interest if they do so in writing within nine months of the interest becoming effective. If the beneficiary fails to survive the transferor, the interest lapses.

Votes on Final Passage:

House	98	0	
House	97	0	
Senate	49	0	(Senate amended)
House	91	7	(House concurred)

Effective: June 12, 2014
Contingent (Section 23)

E2SHB 1129

C 59 L 14

Concerning ferry vessel replacement.

By House Committee on Transportation (originally sponsored by Representative Morris).

House Committee on Transportation
Senate Committee on Transportation

Background: County auditors or other entities, acting as an agent and by appointment of the Director of the Department of Licensing (DOL), must provide various vehicle title and registration services to the public. This includes the processing of a report of sale, processing a transitional ownership, processing mail-in vehicle registration renewals, issuing registration and temporary off-road vehicle use permits, issuing registration for snowmobiles, and collecting taxes and fees.

The DOL may appoint privately owned businesses as licensing subagents (subagents) to process these transactions under contract with the county auditor. In addition to any other fees, registration and title transactions processed by a subagent are subject to a subagent service fee of $5 for a registration and $12 for a title.

The Washington State Department of Transportation Ferries Division (WSF) operates and maintains ferry vessels and terminals, constructs terminals, and acquires vessels. The system serves eight Washington counties and one Canadian province through 23 vessels and 20 termi-

nals. The Washington State Transportation Commission (Transportation Commission) adopts the WSF fares and pricing policies by rule.

The Transportation Commission must impose a 25-cent surcharge on every ferry fare sold; the proceeds are deposited into the Capital Vessel Replacement Account (Account). The expenditures from the Account are by appropriation only and may be used only for the construction or purchase of ferry vessels and to pay the principal and interest on bonds authorized for the construction or purchase of ferry vessels. Any expenditures from the Account must first be used to support the construction or purchase, including any financing costs, of a ferry vessel capable of carrying at least 144 vehicles.

Summary: The DOL and a county auditor or other agent appointed by the Director of the DOL (Director) are required to collect the $5 service fee for each initial and renewal vehicle registration and the $12 service fee for each title transaction that is currently collected only by the subagents. These service fees collected by the DOL and a county auditor or other agent appointed by the Director must be deposited into the Account.

The service fees apply to vehicle registrations and title transactions beginning on January 1, 2015.

Votes on Final Passage:

House	62	36	
Senate	41	8	(Senate amended)
House	61	37	

Effective: June 12, 2014

SHB 1171

C 24 L 14

Clarifying pretrial release programs.

By House Committee on Public Safety (originally sponsored by Representatives Hurst, Dahlquist, Haler and Parker).

House Committee on Public Safety
Senate Committee on Law & Justice

Background: Pretrial release is the release of the accused from detention pending trial. The state Constitution guarantees the right to bail for people except if charged with a capital offense or an offense punishable by the possibility of life in prison. This right has been interpreted as the right to a judicial determination of either release or reasonable bail. For capital offenses, there is no right to bail when there is evident proof or a strong presumption of the accused's guilt. For noncapital offenses that are punishable by the possibility of life in prison, bail may be denied upon a showing by clear and convincing evidence of a propensity for violence that creates a substantial likelihood of danger to the community or any person, subject to limitations as determined by the Legislature.

Offenses that are punishable by the possibility of life in prison are class A felonies, third strike offenses for persistent offenders, and second strike offenses for persistent sex offenders.

Except as described in the Constitution, a judicial officer has discretion to release a person pending trial upon the payment of bail by surety in an amount fixed by a judicial officer or on personal recognizance, with or without certain additional conditions. Such conditions can include, but are not limited to:

- placing the defendant in the custody of a designated organization agreeing to supervise the defendant;
- restricting defendant's range of travel, association, or communication with specific persons;
- mandating a specific curfew;
- imposing electronic monitoring; and
- prohibiting alcohol or drug use or possession of a dangerous weapon or firearm.

When a court releases a person charged with a violent offense on the person's personal recognizance or personal recognizance with conditions, the court is required to state on the record the reasons why the court did not require the defendant to post bail.

Summary: A pretrial release program is any program, public or private, that supervises an offender released from custody prior to trial. In this definition, supervision can refer to any of a range of programs including, but not limited to, work release, day monitoring, or electronic monitoring.

A pretrial release program may not agree to supervise, or accept into its custody, an offender who is currently awaiting trial for a violent offense or sex offense, and who has been convicted of one or more violent offenses or sex offenses in the 10 years before the date of the current offense, unless the offender's release before trial was secured with payment of bail.

Pretrial release programs are included in the statutory description of appropriate conditions of pretrial release that a judge may impose on a person.

Votes on Final Passage:

House	97	0
Senate	49	0

Effective: June 12, 2014

EHB 1224

C 147 L 14

Providing a process for county legislative authorities to withdraw from voluntary planning under the growth management act.

By Representatives Kretz, Takko and Short.

House Committee on Local Government
Senate Committee on Governmental Operations

Background: Growth Management Act: Introduction and Two-Tiered Planning Requirements. The Growth Management Act (GMA) is the comprehensive land use planning framework for counties and cities in Washington. Originally enacted in 1990 and 1991, the GMA establishes land use designation and environmental protection requirements for all Washington counties and cities and a significantly wider array of planning duties for the 29 counties and the cities within that are obligated by mandate or choice to satisfy all planning requirements of the GMA.

The GMA directs planning jurisdictions (jurisdictions that must satisfy all planning requirements of the GMA) to adopt internally consistent comprehensive land use plans that are generalized, coordinated land use policy statements of the governing body. Comprehensive plans must address specific planning elements, including land use, housing, and rural area provisions, each of which is a subset of a comprehensive plan. Comprehensive plans are implemented through locally adopted development regulations, and the plans and regulations are both subject to recurring review and revision requirements.

In addition to comprehensive plan and development regulations obligations, planning jurisdictions are required to satisfy a broad array of land-use planning requirements established in the GMA. Examples of these planning requirements include provisions for:

- developing and adopting countywide planning policies;
- designating urban growth areas; and
- developing processes for identifying and siting essential public facilities.

While planning jurisdictions are subject to significantly more requirements under the GMA than jurisdictions that do not fully plan under the GMA, all counties and cities are required by the GMA to satisfy designation mandates for natural resource lands. More specifically, all counties and cities must designate, where appropriate, agricultural lands that are not characterized by urban growth and that have long-term significance for the commercial production of food or other agricultural products. Planning jurisdictions must also adopt development regulations that conserve these agricultural lands and other designated natural resource lands.

As established in the GMA, all counties and cities must also designate and protect environmentally sensitive critical areas. These requirements obligate local governments, using the best available science, to adopt development regulations to protect critical areas (also known as critical areas ordinances) that comply with specified criteria. Critical areas include: wetlands; aquifer recharge areas; fish and wildlife habitat conservation areas; frequently flooded areas; and geologically hazardous areas.

The Department of Commerce provides technical and financial assistance to jurisdictions that must implement requirements of the GMA.

Planning Jurisdiction Obligations: Mandates and Choices. Of the 29 counties and the cities within that fully plan under the GMA, 18 were required by population criteria to become planning jurisdictions. The remaining 11 counties elected through a resolution of their county legislative authority to have all planning requirements of the GMA apply to them and to the cities within.

According to the 2010 Census and April 1, 2013, population estimates of the Office of Financial Management (OFM), four counties that adopted resolutions to make the county and cities within subject to all planning requirements of the GMA had populations of 20,000 or fewer residents between April 1, 2010, and April 1, 2013: Columbia, Ferry, Garfield, and Pend Oreille.

Growth Management Hearings Board. The GMA establishes a seven-member quasi-judicial Growth Management Hearings Board (Board) to make determinations related to the implementation of the GMA. The Board may only hear and determine petitions alleging:

- that a state agency or planning jurisdiction is noncompliant with the GMA, provisions of the Shoreline Management Act, or certain mandates of the State Environmental Policy Act relating to qualifying plans, regulations, or amendments;
- that the 20-year planning population projections adopted by the OFM should be adjusted;
- that an approval or rejection of a county work plan by the Department of Commerce for the Voluntary Stewardship Program (VSP) is noncompliant with specific VSP requirements;
- that county regulations adopted to comply with VSP requirements are not rationally applicable and cannot be adopted by another jurisdiction in the implementation of the VSP; or
- that the Department of Commerce's certification of county development regulations adopted to protect certain critical areas in conformity with VSP requirements is erroneous.

Each petition for review that is filed with the Board must be heard and decided by a regional three-member panel of Board members. The Board must make findings of fact and prepare a written decision in each decided case. Findings of fact and decisions become effective upon being signed by two or more members of the regional panel deciding the case and upon being filed at the Board's principal office. Final decisions of the Board may be appealed to the superior court. Additionally, if all parties agree, the superior court may directly review a petition filed with the Board.

Summary: Resolution for Partial Planning Under the GMA. Until December 31, 2015, the legislative authority of a county that is obligated by choice to fully plan under

the GMA may adopt a resolution for partial planning (resolution) removing the county and the cities within from requirements to fully plan under the GMA. A county may exercise the authority to adopt the resolution if:

- the county has a population of 20,000 or fewer inhabitants at any time between April 1, 2010, and April 1, 2015;
- at least 60 days prior to adopting a removal resolution, the county provides written notification to the legislative body of each city located within the county of its intent to consider adopting the resolution; and
- the legislative bodies of at least 60 percent of the cities in the county having an aggregate population of at least 75 percent of the incorporated county population have not adopted resolutions opposing the removal action by the county and have not provided corresponding written notification.

Upon adoption of a resolution, the county and the cities within are no longer obligated to fully plan under the GMA. The adoption of a resolution, however, does not nullify or otherwise modify requirements of the GMA for counties and cities relating to:

- designating natural resource lands;
- designating and protecting critical areas;
- employing the best available science in designating and protecting critical areas; and
- the rural element of a comprehensive plan.

The legislative authority of a county that adopts a resolution is barred from subsequently passing a resolution indicating its intention to fully plan under the GMA for a minimum of 10 years from the date of the adoption of the resolution.

Requirements for Counties Subject to a Resolution, Determinations of Compliance. Each county that adopts a resolution and the cities within must, within one year of the adoption of the resolution, adopt development regulations to assure the conservation of designated natural resource lands. These regulations may not prohibit uses legally existing on any parcel prior to their adoption and must assure that the use of lands adjacent to the designated natural resource lands do not interfere with the continued use, in the accustomed manner and in accordance with best management practices, of the lands for the production of food, agricultural products, or timber or for the extraction of minerals.

A county that adopts a resolution and that is not in compliance with specific obligations of the GMA at the time the resolution is adopted must, by January 30, 2017, apply for a determination of compliance from the Department of Commerce finding that the county's development regulations (including regulations adopted to protect critical areas) and comprehensive plans are in compliance with the same specified obligations of the GMA. The Department of Commerce must approve or deny the application for a determination of compliance within 120 days of its receipt or by June 30, 2017, whichever date is earlier.

The planning obligations that are subject to the compliance provisions are obligations requiring:

- the adoption of county-wide planning policies, development regulations to conserve designated natural resource lands, comprehensive plans and implementing development regulations, and designated urban growth areas;
- the adoption of a rural element of a comprehensive plan;
- the designation and conservation of natural resource lands; and
- the designation and protection of critical areas and the employment of the best available science in designating and protecting critical areas.

Denials of Applications of Determinations of Compliance, Appeals. If the Department of Commerce denies an application for a determination of compliance, the county's resolution ceases to have effect and the county and each city within is obligated to comply with all requirements of the GMA.

Until December 31, 2020, the Board is authorized to hear and determine petitions regarding determinations of compliance by the Department of Commerce. The petition must allege that the Department of Commerce's determination was erroneous and must be filed with the Board within 60 days of the issuance of a determination decision by the Department of Commerce. In the event the petition is regarding a determination of compliance approval, the county and the Department of Commerce must equally share the costs incurred by the Department of Commerce in defending the approval before the Board.

Determinations of Compliance: Authorization for Agency Rules. The Department of Commerce is authorized to adopt rules related to determinations of compliance. The rules may address, but are not limited to:

- requirements for applications for determinations of compliance;
- charging of costs to a county for incurred defense expenses;
- procedures for processing applications;
- criteria for the evaluation of applications;
- issuance and notice of department decisions; and
- applicable timelines.

Votes on Final Passage:

House	75	19	
Senate	49	0	(Senate amended)
House	84	12	

Effective: June 12, 2014

SHB 1254
C 148 L 14

Prevailing wage filings.

By House Committee on Labor & Workforce Development (originally sponsored by Representatives Manweller and Condotta).

House Committee on Labor & Workforce Development
House Committee on Appropriations Subcommittee on Health & Human Services
Senate Committee on Commerce & Labor

Background: Prevailing wages must be paid to laborers, workers, and mechanics who work on public works projects in Washington. In addition, prevailing wages must be paid on public building service maintenance contracts of the state or of any county, municipality, or political subdivision.

Prevailing wage rates are the hourly wage, usual benefits, and overtime paid to laborers, workers, and mechanics in the same trade or occupation. These rates are established through analysis of survey data by the Industrial Statistician at the Department of Labor and Industries (Department). The rates are calculated to determine the majority rate paid in the locality.

Before the state or political subdivision pays a public works contract or public building service maintenance contract, the contractor is required to file a "Statement of Intent to Pay Prevailing Wages" (Intent) for approval by the Industrial Statistician.

The contract employer must file an "Affidavit of Wages Paid" (Affidavit) upon completion of the contracted work in order to receive final payment from the public entity. The Affidavit must list all subcontractors hired, the number of workers the employer used from each trade, and the total amount paid for the work. There is a statutorily required filing fee of $40 for both the Intent and Affidavit.

Workers regularly employed by the state or any political subdivision are statutorily exempted from the prevailing wage requirements. Additionally, by rule the prevailing wage requirements do not apply to: sole owners and their spouses; any partner who owns at least 30 percent of a partnership; or the president, vice president, and treasurer of a corporation if each one owns at least 30 percent of the corporation.

Summary: The Department may not collect the certification fee for the Affidavit from individuals or entities that are exempt from the prevailing wage rate requirements.

Votes on Final Passage:

House	96	0
Senate	49	0

Effective: June 12, 2014

SHB 1260
FULL VETO

Concerning public facilities' grants and loans.

By House Committee on Capital Budget (originally sponsored by Representatives Warnick and Stanford; by request of Washington State Department of Commerce).

House Committee on Technology & Economic Development
House Committee on Capital Budget
Senate Committee on Trade & Economic Development
Senate Committee on Agriculture, Water & Rural Economic Development

Background: The Community Economic Revitalization Board (CERB) is governed by a 20-member board that is charged with funding public infrastructure improvements that encourage new business development and expansion.

Community Economic Revitalization Board Membership. The CERB is staffed by the Department of Commerce and includes four non-voting agency directors and 16 voting members: four legislators; an economist; one official each of a city, county, port district, and federally-recognized Indian tribe; one representative of the public; and two representatives of large businesses and four representatives of small businesses. The non-legislative members are appointed by the Director of the Department of Commerce.

The large business representatives must include two executives, one from the area west of the Cascades and one from the area east of the Cascades. The small businesses representatives must include representatives from: (a) the area west of Puget Sound; (b) the area east of Puget Sound and west of the Cascade range; (c) the area east of the Cascade range and west of the Columbia river; and (d) the area east of the Columbia river.

Funding for Grants and Loans. The CERB is focused on creating and retaining jobs in partnership with local governments. Local governments may apply for low-interest loans and, occasionally, grants from the CERB to finance public facility projects. Public facilities eligible for CERB financing include: bridges; roads; domestic and industrial water; earth stabilization; sanitary sewer; storm sewer; railroad; telecommunications; electricity; transportation; natural gas; buildings or structures; and port facilities.

The traditional CERB program offers three financing programs: Committed Private Partner Construction, which requires evidence that a private development or expansion is ready to occur, contingent on approval of CERB funds; Prospective Development Construction, which requires evidence that a private development or expansion is likely to occur as a result of the public improvements; and planning projects, which evaluate high-priority economic development projects. Funding for CERB projects is appropriated in the Capital Budget primarily from the Public Facilities Construction Loan Revolving Account.

Award Criteria. Applications for grants and loans under the CERB program must meet certain statutory eligibility criteria. For example, in 2008 the Legislature added the requirement that, in addition to other threshold criteria, an applicant must demonstrate by convincing evidence that the median hourly wage of the private sector jobs created from the project will exceed the countywide median hourly wage.

The CERB is also directed to prioritize funding according to established criteria, including, for example:

- the relative benefits provided to the community;
- the rate of return of the state's investment;
- whether health insurance with an option for dependents is offered; and
- whether the project increases capacity in a manner that supports infill and redevelopment of existing urban or industrial areas.

Loan Repayment. The CERB granted discretion to establish reasonable terms and conditions for repayment for loans, including partial forgiveness of loan principal and interest payments on projects located in rural communities or rural counties.

Summary: Community Economic Revitalization Board Membership. The membership of the CERB is modified by removing the geographic qualification requirements for the six business representatives. When appointing members, the director of Commerce must endeavor to ensure equitable geographic representation.

Funding for Grants and Loans. The CERB is directed to manage the Public Facilities Construction Loan Revolving Account in such a way as to ensure its sustainability and to finance projects under the following programs: Committed Private Sector Partner Construction; Prospective Development Construction; Planning; and any other program authorized by the Legislature.

The CERB may elect to reserve up to $1 million of its biennial appropriation to use as state match for federal grant awards, as long as the purpose of the federal funds is consistent with CERB's purpose of financing economic development infrastructure, and the reserved CERB funds are matched, at a minimum, dollar for dollar by federal funds.

Award Criteria. Certain existing criteria required for the awarding of loans and grants are removed, including those that relate to: ensuring consistency with the State Comprehensive Economic Development Plan developed by the Washington Economic Development Commission; obtaining local approval and support for an application for financing; demonstrating that wages of jobs created by a project will exceed the county's median wage; avoiding sprawl; and streamlining permitting.

The median hourly wage threshold requirement is modified by limiting its application. The CERB is required to award a minimum of 50 percent of the moneys appropriated to it in the omnibus capital appropriations act to projects that demonstrate by convincing evidence that the median hourly wage of the private sector jobs created after the project is completed will exceed the countywide median hourly wage for private sector jobs. Other awards are not required to meet the median hourly wage threshold requirement.

New criteria are established. The CERB must give priority to funding eligible Committed Private Sector Partner Construction projects. For the Committed Private Sector Partner Construction program, funding may only be provided when a specific private sector development or expansion is ready to occur, contingent on the public facility improvement. For the Prospective Development Construction program, funding may only be provided when the project demonstrates feasibility using standard economic principles. In addition to other established criteria, the CERB must prioritize funding based on the following:

- the number of jobs created;
- the average wage of those expected jobs;
- the local unemployment rate;
- the fit of the expected business creation or expansion within the region's preferred economic growth strategy;
- the speed with which the project can begin construction;
- the leveraging of non-state funds; and
- expected job creation and wage benefits for the amount of money provided.

Loan Repayment. Loan repayment must begin within one year of final contract execution. However, the CERB is permitted to authorize borrowers to defer initiating loan repayments for up to three years if the need is justified in writing. Under exceptional circumstances, repayment may be deferred for up to five years as part of a package of restructured loan terms and conditions to avoid a default.

Votes on Final Passage:

House	63	34	
House	56	39	
Senate	48	1	(Senate amended)
House			(House refused to concur)
Senate			(Senate receded)
Senate	39	10	(Senate amended)
House	53	44	(House concurred)

Effective:

VETO MESSAGE ON SHB 1260

April 4, 2014

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

Ladies and Gentlemen:

I am returning herewith, without my approval, Substitute House Bill No. 1260 entitled:

"AN ACT Relating to public facilities' grants and loans."

I am vetoing HB 1260. Current law requires that 100 percent of all projects approved by the Community Economic Revitalization Board result in jobs that pay above the county's private-sector me-

dian wage. This bill, however, cuts that requirement in half.

As an ardent advocate for family-wage jobs, I believe this bill to be too aggressive a change. While I support the kind of flexibility that would take into account the intent of this bill, as just one or two large employers in an area could skew the median wage levels, we need to proceed with caution.

I intend to introduce legislation next session allowing this flexibility for 25% of CERB funds, rather than 50%. I believe such a bill would be an appropriate balance between supporting family wage jobs across the state, and supporting projects in rural communities that may not be able to meet their county's median wage threshold.

For these reasons I have vetoed Substitute House Bill No. 1260 in its entirety.

Respectfully submitted,

Jay Inslee
Governor

HB 1264

C 25 L 14

Concerning partial fire district mergers.

By Representatives Haigh, Chandler, Takko and Ryu.

House Committee on Local Government
Senate Committee on Governmental Operations

Background: Fire Protection Districts. Fire protection districts (fire districts or districts) are municipal corporations that are authorized to provide fire prevention, fire suppression, and emergency medical services to protect life and property. In some instances, fire districts may also establish or provide health clinic services.

Fire districts are governed by a board of commissioners (board) composed of three, five, or seven members who are registered voters residing in the district. The board must hold regular monthly meetings and may call special meetings at any time under the Open Public Meetings Act. Fire districts finance their activities and facilities by imposing regular property taxes, excess voter-approved property tax levies, and benefit charges.

Merger of Fire Protection Districts. Under certain circumstances, a fire district (merging district) may merge with an adjacent fire district (merger district). A merger of fire districts may be subject to review by the boundary review board (BRB) or boards of the county in which the merging district is located.

To merge fire districts, a petition signed by the the commissioners of the merging district or 10 percent of the registered voters residing within the merging district who voted in the last general municipal election must be filed with the merger district. If the petition is approved by the merger district, a special election is called by the merging district county auditor to present the question of merging to merging district voters. If a majority of the voters approve the merger, the districts are declared merged by concurrent resolutions of the fire districts' boards. No election is required to merge the districts if three-fifths of all qualified electors in the merging district sign the petition to merge.

Additionally, a part of one fire district may be merged with an adjacent fire district in a potential merger if the area can be better served by the district as merged. A petition signed by either a majority of the merging district board or not less than 15 percent of the qualified electors residing in the area to be merged must be filed with the merger district board. If the petition is approved by the fire districts' boards, an election is held in the area to be merged.

If either the merging district board or the merger district board does not approve the partial merger petition, the petition may be approved by the BRB or the county legislative authority of the county in which the area to be merged is situated. The BRB or county legislative authority must determine that the area can be better served by a merger. Upon approval of the petition, an election must be called in the area to be merged. No election is required if three-fifths of all qualified electors in the area to be merged sign the partial merger petition.

For a merger district located in a single county that has been merged with a merging district located in a different county or counties, the merged fire district is identified by the name of each county in which the merged fire district is located, listed alphabetically, and a number.

Boundary Review Boards. The BRBs are authorized to guide and control the creation and growth of municipalities in metropolitan areas. While statute requires the establishment of a BRB in counties with at least 210,000 residents, a BRB may be created and established in any other county. Members of the BRB are appointed by the Governor and local government officials from within the applicable county.

Upon receiving a timely and sufficient request for review, and an invocation of the BRB's jurisdiction, a BRB must review and approve, disapprove, or modify specific proposed actions, including actions pertaining to the creation, incorporation, or change in the boundary of any city, town, or special purpose district. If a period of 45 days elapses without the BRB's jurisdiction being invoked, the proposed action must be deemed approved.

Summary: Boundary review boards and county legislative authorities are no longer authorized by statute to approve a petition for partial merger of a fire district as an alternate method of proceeding with a partial merger when either the merging district board or the merger district board do not approve the petition. Under such circumstances, when one of the boards does not approve the petition, the partial merger may not proceed.

No election is required to effect a partial merger of a fire district under the following circumstances:

- the partial merger petition has been approved by both the merging district and the merger district boards; and

- three-fifths of the qualified electors in the area to be merged sign a petition to merge the districts.

Partial mergers of fire districts are exempt from statutory provisions requiring that districts be renamed after certain mergers.

Votes on Final Passage:

House	94	0
Senate	49	0

Effective: June 12, 2014

ESHB 1287

C 207 L 14

Subjecting federally recognized Indian tribes to the same conditions as state and local governments for property owned exclusively by the tribe.

By House Committee on Community Development, Housing & Tribal Affairs (originally sponsored by Representatives Appleton, Dahlquist, Hurst, McCoy, Ryu, Santos and Pollet).

House Committee on Community Development and Housing & Tribal Affairs
House Committee on Finance
Senate Committee on Ways & Means

Background: Public-Owned Property Tax Exemption. Real and personal property in the state are subject to a property tax. The state Constitution exempts property owned by federal, state, or local governments from property tax obligations. The Legislature may exempt other property from taxation by statute.

Leasehold Excise Tax. The Legislature exempts a private leasehold interest in government-owned tax-exempt property from property tax. In lieu of a property tax, however, the leasehold interest may be subject to a leasehold excise tax on the possession and use of the property. This excise tax is assessed on the contract rent for the leasehold.

Certain leasehold interests are exempt from the excise tax. A leasehold interest in property that is held in trust for a tribe by the United States is exempt from the excise tax, as long as the contract rent for the leasehold is at least 90 percent of the fair market rental.

Tribal-Owned Property Tax Exemption. State law also exempts all property belonging exclusively to a federally recognized Indian tribe from state taxation if the property is used exclusively for essential governmental services. Essential governmental services include tribal administration, public facilities, fire, police, public health, education, sewer, water, environmental and land use, transportation, and utility services. Federal law generally prohibits state taxation of tribes or tribal members on their reservation.

Public Property Sold on Contract. Real property sold on contract by the federal, state, or local government that entitles the vendee to possess and use the property in compliance with the terms of the contract must be assessed and taxed as if the property were privately owned. The title retained by the government body is deemed only as a security for the fulfillment of the contract although no foreclosure for delinquent taxes may affect the title retained by the government body.

Fire Protection Districts. Fire protection districts (fire districts) are municipal corporations that are authorized to provide fire prevention, fire suppression, and emergency medical services to protect life and property.

The fire districts finance their activities and facilities by imposing regular property taxes, excess voter-approved property tax levies, and benefit charges. A regional fire protection service authority is made up of two or more adjacent fire protection jurisdictions.

Summary: Tribal Property Tax Exemption: Leasehold Excise Tax. A private leasehold interest in tax-exempt property owned by a federally recognized Indian tribe is exempt from property taxes. A private leasehold interest in tax-exempt tribal property is subject to a leasehold excise tax.

Economic development is recognized as an essential government service for purposes of qualifying tribally-owned property for tax-exempt status, if the property was owned by the tribe prior to March 1, 2014.

Payment in Lieu of Taxes. A tribe that owns property exempt from tax under state law must make a payment in lieu of tax (PILT) if:

- the property is used exclusively for economic development;
- there is no taxable leasehold interest in the property;
- the property is outside of the tribe's reservation; and
- the property is not otherwise tax exempt under federal law.

The county where the property is located and the tribe must jointly determine the PILT amount through good faith negotiation. The amount may not exceed the leasehold excise tax that would apply if there were a leasehold interest in the property. The Department of Revenue (DOR) may determine the PILT rate if the tribe and county cannot agree on the terms.

The tribe must pay the county and the county must distribute payment solely to the local taxing districts, including cities, in the same proportion that each district would have shared if a leasehold excise tax had been levied.

A tribe must file an application with the DOR in order to qualify for the property tax exemption. If the exemption is based on use for economic development, the tribe must file an annual renewal for the exemption to continue. For tax exempt property subject to the PILT, an application must include a declaration from the tribe and county confirming that an agreement has been made on the payment amount.

Tribal Property Sold on Contract. Property sold on contract by a federally recognized tribe that entitles the

vendee to possess and use the property in compliance with the terms of the contract must be assessed and taxed as if the property were privately owned.

Joint Legislative Audit and Review Committee Report. The Joint Legislative Audit and Review Committee (JLARC) must conduct a six-year study and provide a report to the Legislature by 2020 that evaluates the economic impact of the effects of the leasehold excise tax and tax exemptions authorized under the act. The report must indicate:

- the number of parcels and uses of land involved;
- the economic impact to tribal, state, and local government revenue changes and shifts;
- the impact on public infrastructure and public services;
- the impact on business investment and competition;
- a description of the types of business activities affected;
- impacts on jobs; and
- other data that the JLARC deems necessary in determining the economic impact.

Fire Protection Districts. A fire protection district or regional fire protection service authority may contract for services with a tribe that owns tax exempt property within the boundaries of the district or authority.

The act expires in 2022.

Votes on Final Passage:

House	64	29	
Senate	29	15	(Senate amended)
House	63	34	
Senate	37	12	(Senate amended)
House	61	37	(House concurred)

Effective: June 12, 2014

SHB 1292

C 109 L 14

Vacating prostitution convictions.

By House Committee on Public Safety (originally sponsored by Representatives Orwall, Goodman, Roberts, Appleton, Green, Hope, Kochmar, Moscoso, Jinkins, Upthegrove and Ryu).

House Committee on Public Safety
Senate Committee on Law & Justice

Background: Vacation of Records. A person convicted of Prostitution who committed the offense as the result of being a victim of Trafficking or Promoting Prostitution in the first degree may apply to the sentencing court for vacation of the record of conviction, except that the record cannot be cleared if: (1) there are any criminal charges against the applicant pending in any court of this state or another state, or in any federal court; (2) the applicant has been convicted of a new crime in this state, another state, or federal court since the date of conviction; or (3) the applicant has ever had the record of another prostitution conviction vacated.

If the offender meets these tests, the court may clear the record of conviction by permitting the applicant to withdraw the applicant's plea of guilty and to enter a plea of not guilty; or, if the applicant has been convicted after a plea of not guilty, the court setting aside the verdict of guilty; and dismissing the information, indictment, complaint, or citation against the applicant and vacating the judgment and sentence.

Trafficking in the First and Second Degrees. A person is guilty of Trafficking when the person:

- recruits, harbors, transports, transfers, provides, obtains, or receives by any means another person knowing, or in reckless disregard of the fact, that force, fraud, or coercion will be used to cause the person to engage in forced labor, involuntary servitude, a sexually explicit act, or a commercial sex act or that the person has not reached the age of 18 years and is caused to engaged in a sexually explicit act or a commercial sex act; or
- benefits financially or by receiving anything of value from participation in a venture that has engaged in acts described above.

The offense is Trafficking in the first degree if the acts or venture:

- involve committing or attempting to commit kidnapping;
- involve a finding of sexual motivation;
- involve the illegal harvesting or sale of human organs; or
- result in a death.

Trafficking in the first degree is a class A felony.

Trafficking under any other circumstances constitutes Trafficking in the second degree.Trafficking in the second degree is a class A felony.

Promoting Prostitution in the First Degree. A person is guilty of Promoting Prostitution in the first degree if he or she knowingly advances prostitution:

- by compelling a person by threat or force to engage in prostitution or profits from prostitution that results from such threat or force; or
- by compelling a person with a mental incapacity or developmental disability that renders the person incapable of consent to engage in prostitution or profits from prostitution that results from such compulsion.

Promoting Prostitution in the first degree is a class B felony.

Commercial Sexual Abuse of a Minor. A person is guilty of Commercial Sexual Abuse of a Minor if:

- he or she pays a fee to a minor or a third person as compensation for a minor having engaged in sexual conduct with him or her;

- he or she pays or agrees to pay a fee to a minor or a third person pursuant to an understanding that in return therefore such minor will engage in sexual conduct with him or her; or
- he or she solicits, offers, or requests to engage in sexual conduct with a minor in return for a fee.

Commercial Sexual Abuse of a Minor is a class B felony.

Summary: A person convicted of Prostitution and who committed the offense as the result of being a victim of Trafficking, Promoting Prostitution in the first degree, or Commercial Sexual Abuse of a Minor may apply for a vacation of the criminal records and may have the record vacated regardless if he or she has had the record of another Prostitution conviction vacated, has pending criminal charges for Prostitution, or has had the record of another Prostitution conviction vacated.

The applicant must show by a preponderance of the evidence that the elements of the particular crime the applicant is alleged to be a victim of are met and that the particular prostitution record of conviction sought to be vacated resulted from those criminal acts.

Votes on Final Passage:

House	91	1	
House	94	1	
Senate	49	0	(Senate amended)
House	94	0	(House Concurred)

Effective: June 12, 2014

HB 1360

C 149 L 14

Extending the deadline to designate one or more industrial land banks.

By Representatives Wylie and Harris.

House Committee on Local Government
Senate Committee on Governmental Operations

Background: Growth Management Act Introduction. The Growth Management Act (GMA) is the comprehensive land use planning framework for counties and cities in Washington. Originally enacted in 1990 and 1991, the GMA establishes land use designation and environmental protection requirements for all Washington counties and cities, and a significantly wider array of planning duties for the 29 counties and the cities within that are obligated by mandate or choice to satisfy all planning requirements of the GMA.

Jurisdictions that fully plan under the GMA (planning jurisdictions) must adopt internally consistent comprehensive land use plans, which are generalized, coordinated land use policy statements of the governing body. Comprehensive plans, which are the frameworks of county and city planning actions, are implemented through locally adopted development regulations. Planning jurisdictions are generally required to review and, if needed, revise their comprehensive plans and development regulations according to a recurring eight-year statutory schedule.

The GMA includes numerous requirements relating to the use or development of land in urban and rural areas. Among other planning requirements, counties that fully plan under the GMA (planning counties) must designate urban growth areas (UGAs) or areas within which urban growth must be encouraged and outside of which growth can occur only if it is not urban in nature.

Major Industrial Development: 1996 Pilot Project and Subsequent Requirements. In 1996 legislation was enacted to create a pilot project authorizing the establishment of major industrial development locations outside of UGAs for the purpose of expeditiously siting qualifying development. Among other provisions, the pilot project legislation included criteria for siting these developments within designated banks of land, provided for amending comprehensive plans to implement these provisions, and specified eligibility criteria and termination dates for relevant county authority. The provisions of the original pilot project have been amended several times to modify the applicable criteria and termination dates.

Planning counties meeting specific population, unemployment, and geographic requirements may, in consultation with cities, establish a process for designating a bank of one or two master planned locations for major industrial activity outside of UGAs. The two-step master planned location siting process requires designation of an industrial land bank (land bank) in the jurisdiction's comprehensive plan and a subsequent approval of specific major industrial developments through a local master plan process. The designation process for a land bank requires the adoption of development regulations for the review and approval of specific major industrial developments through a master plan process.

Definitions of Principal Terms. For purposes of siting of land banks and appropriate major industrial development within them are defined in statute:

"Major industrial development" means a master planned location suitable for manufacturing or industrial businesses that:

- requires a parcel of land so large that no suitable parcels are available within a UGA;
- is a natural resource-based industry requiring a location near agricultural land, forest land, or mineral resource land upon which it is dependent; or
- requires a location with characteristics such as proximity to transportation facilities or related industries such that there is no suitable location in a UGA.

"Industrial land bank" means up to two master planned locations, each consisting of a parcel or parcels of contiguous land, sufficiently large so as not to be readily available within the UGA of a city or otherwise meeting

specific criteria. An industrial land bank must be suitable for manufacturing, industrial, or commercial businesses and designated by the county through the comprehensive planning process specifically for major industrial use.

Expiration of Land Bank Designation Authority. A planning county choosing to identify and approve locations for land banks must take action to designate one or more of these banks and adopt regulations meeting certain requirements on or before the last date to complete the county's next periodic comprehensive plan and development regulations review that occurs before December 31, 2014. The authority of a county to designate a land bank area in its comprehensive plan expires if not acted upon within these time limitations. Once a land bank area has been identified in a county's comprehensive plan, the authority of the county to process a master plan or site projects within an approved master plan does not expire.

Summary: A planning county choosing to identify and approve locations for land banks must take action to designate one or more of these banks and adopt regulations meeting certain requirements on or before the last date to complete the county's next periodic comprehensive plan and development regulations review that occurs before December 31, 2016, rather than December 31, 2014.

Votes on Final Passage:

House	72	26
Senate	48	0

Effective: June 12, 2014

ESHB 1417

C 2 L 14

Regarding irrigation district administration.

By House Committee on Local Government (originally sponsored by Representatives Manweller, Fagan and Warnick).

House Committee on Local Government
Senate Committee on Agriculture, Water & Rural Economic Development

Background: Irrigation districts (districts) may be organized to construct, purchase, improve, maintain, or operate irrigation works or systems. Districts are governed by an elected board of directors (board), and each director serves a three-year term.

Powers of the Irrigation District. All districts that operate and maintain an irrigation system have numerous enumerated powers, which include authority to:

- purchase and sell electricity to residents of the district;
- acquire and operate dams, canals, plants, transmission lines, and other power equipment and generate and transmit electricity;
- acquire and operate hydroelectric facilities for the generation of electricity and sell electricity generated at facilies;
- acquire and maintain a system of drains, sanitary sewers, and sewage disposal or treatment plants;
- assume indebtedness to the United States under the federal reclamation laws;
- acquire, install, and maintain water mains and fire hydrants for firefighting purposes;
- contract with other entities to jointly acquire and maintain electrical power, irrigation water, domestic water, drainage, and sewerage works; and
- acquire and operate a water-sewer district's water system that is wholly within the irrigation district's boundaries to provide water for domestic use of district residents.

Sale or Lease of Irrigation District Personal Property. Districts may sell or lease personal property owned by the district when the board determines that the property is not needed by the district and authorizes the property's sale or lease. Districts may sell or lease personal property owned by the district when the board determines that the property is not needed by the district and authorizes the property's sale or lease. For property valued at less than $500, notice of the sale or lease must be published in a newspaper of general circulation once a week for three consecutive weeks at least 20 days prior to the date of the sale or lease. The notice must state: (1) the intention of the board to sell or lease the property; (2) the time and place at which proposals for the sale or lease will be considered; and (3) the time and place at which the sale or lease will occur. Any property so sold or leased must go to the highest and best bidder.

Adding Lands to Irrigation Districts of 200,000 or More Acres. Five or a majority of title holders of an area of land may petition a district that is comprised of 200,000 or more acres for inclusion in the district. To bring the petition, the land proposed to be included must be susceptible to irrigation from the district's water supply and system of works.

When a petition is filed, the board must schedule a hearing on the petition to be held not less than 30 days, but not more than 45 days from the date of filing. Notice of the hearing must be published prior to the hearing date. The hearing must be held at the time and place specified in the notice, and any adjournment may not exceed 30 days in all. At the hearing, the board may determine all matters pertaining to the petition, including denying the petition, granting the petition, or denying or granting any portion of it. In granting any petition, the board must find that: (1) all or part of the land proposed to be added is susceptible to irrigation from the district; (2) the land will benefit from the irrigation; and (3) not more than 50 percent of holders of title to the land have filed timely, written objections.

Irrigation Districts that May Designate a Treasurer. In general, the treasurer of the county in which a district office is located is, by virtue of his or her office, treasurer of the district. However, a district may designate a treasurer under certain circumstances. To be able to designate a treasurer, a district must:

- lie in more than one county and have had assessments in each of two of the preceding three years of $500,000 or more;
- lie in more than one county and be governed by a board of joint control created under applicable statute;
- lie in only one county and have had assessments, tolls, and miscellaneous collections in each of two of the preceding three years of $2 million or more; or
- lie in only one county and have the approval of the county treasurer to designate a treasurer.

Delinquent Irrigation District Assessments. After 36 months from the time that irrigation district assessments become delinquent, or after 24 months if the assessment is for a local improvement district, the district treasurer (treasurer) must prepare certificates of delinquency (certificates) for properties with unpaid assessments, costs, and interest. Preparation of a certificate initiates the district's foreclosure proceedings. Certificates may be made for individual properties or issued in one general certificate for all delinquent properties.

For each property for which the treasurer has prepared a certificate, the treasurer must order a title search to determine or verify the legal description of the property and the parties of interest.

For districts with 200,000 or more acres, the board, upon receiving a certificate from the treasurer, compares the amount of the delinquent assessment to the cost of foreclosure. Examples of foreclosure costs include title search costs, court filing fees, costs of service, and attorneys' fees. In reviewing the certificate, the board may determine that it is not in the best interests of the district to foreclose the delinquent assessment.

Competitive Bidding for Irrigation District Contracts. Unless otherwise exempted by statute, purchases of any materials, supplies, or equipment by a district must be based on competitive bids. As standard procedure, a district must solicit formal sealed bids. The board may, however, adopt a policy waiving formal sealed bidding procedures for purchases of materials, supplies, or equipment in an amount established by the board that does not exceed $40,000 for each purchase.

For purchases that cost up to $50,000, exclusive of sales tax, the board may adopt a policy to use the purchase contract process authorized in statute for municipalities. Under such a policy, the board may obtain telephone or written quotes from at least three vendors on an established vendor list and award the purchase contract to the lowest responsible bidder. The estimated cost of the purchases must be within a range of amounts established by the board, up to $50,000.

Federal Reclamation Projects and Irrigation Districts. The United States Bureau of Reclamation (Bureau) is a federal agency engaged in water and electricity generating projects in 17 western states. The Bureau manages, develops, and protects water and related resources and is the nation's largest wholesale water supplier. The Bureau is the second largest producer of hydroelectric power in the west and has constructed more than 600 dams and reservoirs.

Summary: Powers of the Irrigation District. Districts are granted authority to approve and condition placement of hydroelectric generation facilities on water conveyance facilities operated or maintained by the district, when placement of the hydroelectric generation facilities is made by entities other than the district.

Notice of Sale or Lease of Irrigation District Personal Property. The dollar threshold above which notice of a sale or lease of district personal property must be published in accordance with statute is increased from $500 to $10,000.

Hearings on Petitions to Add Lands to Irrigation Districts. For petitions to add lands to a district of 200,000 or more acres, the amount of time within which the board must schedule a hearing is increased. A hearing must be held not less than 30 days, but not more than 180 days (increased from 45 days) from the date the petition was filed. Also, any adjournment of the hearing may not exceed a total of 180 days (increased from 30 days).

Certificates of Delinquency. Provisions related to district treasurers' initiation of foreclosure proceedings on delinquent assessments are modified. First, the requirement that treasurers of all districts order a title search of property for which a certificate of delinquency has been prepared to verify the legal description of the property is eliminated. Second, a provision allowing a board of a district with 200,000 acres or more to determine, after reviewing a certificate of delinquency, that commencing foreclosure proceedings it is not in the best interests of the district is eliminated. Finally, prior to preparing a certificate of delinquency, the treasurer of a district that has designated its own treasurer is required to provide the district board with a list of properties that may be subject to foreclosure for delinquent assessments. The board must review the list and may determine that it is not in the best interests of the district to commence foreclosure proceedings against the delinquent assessment liens. A county treasurer is not precluded from proceeding with foreclosure on parcels otherwise delinquent and, in those actions, collecting delinquent assessments due under irrigation district authority.

Competitive Bidding for Irrigation District Contracts. When a board adopts a policy to waive formal sealed bidding procedures for purchases of materials, supplies, or equipment, the maximum amount that the board may set for each purchase is $50,000 instead of $40,000.

Votes on Final Passage:

House	96	0
Senate	47	1

Effective: June 12, 2014

HB 1607
C 3 L 14

Providing alternative means of service in forcible entry and forcible and unlawful detainer actions.

By Representative Rodne.

House Committee on Judiciary
Senate Committee on Financial Institutions, Housing & Insurance

Background: An unlawful detainer action allows a landlord to evict a tenant who has failed to pay rent or is otherwise holding over and regain possession of the property if the tenant does not vacate the property after being served with a notice to vacate. If the notice period passes and the tenant does not vacate or cure the default, he or she is in the status of unlawful detainer. This allows the landlord to commence the statutory unlawful detainer or eviction action by summons and complaint.

The summons and complaint in an unlawful detainer action governed by the general unlawful detainer act must be served in the same manner as summons and complaint in other civil actions are served. In the case of individuals this means:

- personal hand-to-hand service;
- abode service, by leaving a copy of the summons and complaint at the defendant's residence with a person of suitable age and discretion who is a resident therein;
- service at the defendant's usual mailing address by leaving a copy of the summons and complaint with a person of suitable age and discretion who is a resident, proprietor, or agent thereof, plus mailing a copy by first-class mail, postage prepaid, to the defendant's usual mailing address; or
- if the plaintiff is unable to so make service, and the plaintiff has filed an affidavit with the court explaining his or her attempts at service, by publication.

In 1989 an additional means for service of summons and complaint was added for unlawful detainer actions governed by the Residential Landlord-Tenant Act (RLTA). Under the RLTA, if personal service has been attempted and has failed, rather than publication, service of a residential eviction summons and complaint may be alternatively accomplished by posting it on the door of the premises and sending a copy by regular and certified mail. This mode of service is also available to actions governed by the Manufactured/Mobile Home Landlord-Tenant Act.

Summary: If personal service has been attempted but failed, a plaintiff in an unlawful detainer action governed by the general unlawful detainer act may use the posting alternative means of service. Before the plaintiff may undertake this means of service, he or she must file an affidavit with the court describing the attempts at personal service and obtain authorization by the court.

The posting alternative means of service involves: (1) posting the summons and complaint at the property unlawfully detained, not less than nine days from the return date in the summons; and (2) mailing copies of the summons and complaint, postage prepaid, via regular and certified mail, to the defendant's last known address.

Service accomplished by this alternative means will limit the court's jurisdiction to restoring possession of the premises to the plaintiff. No money judgment may be entered against the defendant until personal jurisdiction is obtained.

Votes on Final Passage:

House	98	0
Senate	49	0

Effective: June 12, 2014

SHB 1634
C 4 L 14

Including the value of solar, biomass, and geothermal facilities in the property tax levy limit calculation.

By House Committee on Finance (originally sponsored by Representatives Warnick and Manweller).

House Committee on Finance
Senate Committee on Ways & Means

Background: A property tax revenue limit applies to property taxes imposed by the state, cities, counties, and other taxing districts. Generally, the limit requires a reduction of property tax rates as necessary to limit the growth in the total amount of property tax revenue received by a taxing district to the lesser of 1 percent or inflation. The revenue limitation does not apply to new value placed on tax rolls attributable to new construction, improvements to existing property, changes in state-assessed valuation, or construction of certain wind turbines.

Solar, biomass, and geothermal facilities are personal property, unless the same person owns both the facility and the land upon which the facility is located. Solar, biomass, and geothermal facilities owned by utilities that operate in more than one county are state assessed. Property taxes resulting from new state-assessed facilities increase revenues to taxing districts because taxes resulting from increases in the value of state-assessed property are added to the amount that may be levied under the levy limit. Solar, biomass, and geothermal facilities owned by utilities that operate entirely within a single county are assessed by the county assessor. Property taxes resulting from new coun-

ty-assessed facilities do not increase revenues to taxing districts because they are not considered "new construction" or an "improvement to property."

Summary: The property tax revenue limit for a taxing district is increased by the value resulting from new solar, biomass, and geothermal facilities that generate electricity.

Votes on Final Passage:

House	93	0
House	80	14
Senate	49	0

Effective: June 12, 2014

ESHB 1643

C 26 L 14

Regarding energy conservation under the energy independence act.

By House Committee on Technology & Economic Development (originally sponsored by Representatives Fey, Short, Upthegrove, Nealey, Pollet, Liias, Ormsby, Ryu and Moscoso).

House Committee on Environment
House Committee on Technology & Economic Development
Senate Committee on Energy, Environment & Telecommunications

Background: Energy Independence Act. Approved by voters in 2006, the Energy Independence Act (EIA), also known as Initiative 937, requires electric utilities with 25,000 or more customers to meet targets for energy conservation and eligible renewable resources. Utilities that must comply with the EIA are called qualifying utilities.

Energy Conservation Assessments and Targets. Each qualifying electric utility must pursue all available conservation that is cost-effective, reliable, and feasible. By January 1, 2010, each qualifying utility must assess the conservation it can achieve through 2019 and update the assessments every two years for the next 10-year period. Beginning January 2010 each qualifying utility must meet biennial conservation targets that are consistent with its conservation assessments.

Pacific Northwest Electric Power and Conservation Planning Council. The Pacific Northwest Electric Power and Conservation Planning Council (Power Council) was established in the federal Northwest Power Act of 1980. The governors of Washington, Oregon, Idaho, and Montana each appoint two members to the Power Council. Among its duties, the Power Council must develop a regional Power Plan at least every five years to meet the region's electricity needs. The EIA requires qualifying utilities to use methodologies consistent with the Power Council's Power Plan when calculating their achievable cost-effective conservation potential. At the time the EIA was approved by the voters of the state, the Power Council was operating under the Fifth Power Plan. It adopted its Sixth Power Plan in February 2010 and is working to adopt the Seventh Power Plan near the end of 2015.

Summary: Excess Energy Conservation. Qualifying utilities are allowed to use cost-effective energy conservation achievement in excess of their biennial acquisition targets to meet subsequent biennial energy conservation acquisition targets.

Beginning January 1, 2014, cost-effective conservation achieved by a qualifying utility in excess of its biennial acquisition target may be used to help meet the immediately subsequent two biennial acquisition targets. No more than 20 percent of any biennial target may be met with excess conservation savings.

Beginning on January 1, 2014, a qualifying utility may use single large facility conservation savings to meet up to an additional 5 percent of the immediately subsequent two biennial acquisition targets. No more than 25 percent of any biennial target may be met with excess conservation savings. "Single large facility conservation savings" is defined as cost-effective conservation savings achieved in a single biennial period at the premises of a single utility customer whose annual electricity consumption prior to the conservation acquisition exceeded five-average megawatts.

Beginning January 1, 2012, and until December 31, 2017, a qualifying utility with an industrial facility located in a county with a population between 95,000 and 115,000 that is directly interconnected with electricity facilities that are capable of carrying electricity at transmission voltage may use cost-effective conservation from that industrial facility in excess of its biennial acquisition target to help meet the immediately subsequent two biennial acquisition targets. No more than 25 percent of any biennial target may be met with excess conservation savings.

Regional Power Plan Methodologies. Each qualifying utility when identifying its achievable cost-effective conservation potential is required to use methodologies consistent with those used by the Power Council in the most recently published regional power plan as it existed on the effective date of the act or such subsequent date as may be provided by the Department of Commerce or the Utilities and Transportation Commission by rule. A qualifying utility is not precluded from using its utility-specific conservation measures, values, and assumptions in identifying its achievable cost-effective conservation potential.

Votes on Final Passage:

House	97	0
Senate	49	0

Effective: June 12, 2014

2SHB 1651

C 175 L 14

Concerning access to juvenile records.

By House Committee on Appropriations Subcommittee on General Government & Information Technology (originally sponsored by Representatives Kagi, Walsh, Freeman, Roberts, Farrell, Zeiger, Goodman, Pollet, Sawyer, Appleton, Bergquist, S. Hunt, Moscoso, Jinkins, Ryu and Morrell).

House Committee on Early Learning & Human Services
House Committee on Appropriations Subcommittee on General Government & Information Technology
Senate Committee on Human Services & Corrections

Background: Juvenile Offender Records. Since 1977 juvenile offender records have been public unless sealed in accordance with statutory requirements. Nonoffender juvenile records, such as records in a dependency matter or adoption, are not open to public inspection.

The requirements for sealing juvenile records have changed since the records became public. For example, in 1997 class A felonies and sex offenses were prohibited from being sealed, and a person seeking to seal a juvenile class B felony was required to remain in the community without any further offenses for 10 years, along with the payment of any restitution ordered. A person seeking to seal a juvenile class C felony was required to wait five years, in addition to any restitution. In 2011 and 2010 the Legislature amended the sealing statutes to allow the records for class A felonies and sex offenses to be sealed. Before any juvenile offender record may be sealed, the person who is the subject of the record must not have any pending diversions or criminal charges. He or she must have been relieved of the duty to register as a sex offender and must have paid in full any restitution ordered by the court.

Depending on the offense, the person seeking to seal his or her records must have spent a minimum period of time in the community after being released from confinement without any new offenses, as follows:

- five years for class A felonies;
- two years for class B felonies, class C felonies, misdemeanors, and diversions;
- sex offenses may only be sealed if a court relieved the individual of the duty to register as an offender and:
  - for class A sex offenses committed when a juvenile was 15 years or older, the individual is in the community for five years without conviction of an additional sex or kidnapping offense before petitioning to be relieved of the duty to register; or
  - for all other offenses, the person is in the community for two years without conviction of an additional sex or kidnapping offense before petitioning to be relieved of the duty to register; and
- juvenile convictions for Rape in the first or second degree, and Indecent Liberties with Forcible Compulsion may not be sealed.

Most Serious Offenses. "Most serious offenses" include the following felonies or a felony attempt to commit the following felonies:

- any class A felony or criminal solicitation of or criminal conspiracy to commit a class A felony;
- Assault in the second degree;
- Assault of a Child in the second degree;
- Child Molestation in the second degree;
- Controlled Substance Homicide;
- Extortion in the first degree;
- Incest when committed against a child under age 14;
- Indecent Liberties;
- Kidnapping in the second degree;
- Leading Organized Crime;
- Manslaughter in the first degree;
- Promoting Prostitution in the first degree;
- Rape in the third degree;
- Robbery in the second degree;
- Sexual Exploitation;
- Vehicular Assault, when caused by the operation or driving of a vehicle by a person while under the influence of liquor or any drug or by the operation of a vehicle in a reckless manner;
- Vehicular Homicide, when proximately caused by the driving of a vehicle by a person while under the influence of liquor or any drug, or by operation of any vehicle in a reckless manner;
- any class B felony offense with a finding of sexual motivation;
- any other felony with a deadly weapon finding;
- any felony offense in effect before December 2, 1983, that is comparable to a most serious offense or any federal or out-of-state conviction for an offense under the laws of this state would be a felony classified as a most serious offense in Washington;
- certain prior convictions for Indecent Liberties; or
- any out-of-state conviction for a felony offense with a finding of sexual motivation if the minimum sentence was 10 years or more.

Drug Offense. A "drug offense" includes:

- any felony controlled substance violation except possession of a controlled substance or forged prescription for a controlled substance;
- any offense defined as a felony under federal law that relates to the possession, manufacture, distribution, or transportation of a controlled substance; or
- any out-of-state conviction for an offense that would constitute a felony controlled substance violation in

this state except possession of a controlled substance or forged prescription for a controlled substance.

Consumer Reporting Agencies. In 2011 legislation was enacted which prohibited consumer reporting agencies from including in their reports the juvenile record of a person, age 21 or older, at the time that the report is made.

Summary: Courts must hold regular hearings to seal juvenile court records, which will be sealed administratively unless the court receives an objection or the court receives a compelling reason not to seal, in which case, there will be a contested sealing hearing. A respondent must be provided at least 18 days' notice of any contested sealing hearing, but the respondent is not required to appear at either an administrative or contested sealing hearing.

A court must schedule an administrative sealing hearing during disposition of a juvenile offender matter to occur after a respondent turns 18 and completes probation, confinement, or parole.

A court may not seal a juvenile court record during a regularly scheduled sealing hearing if one of the offenses is:

- a most serious offense;
- a sex offense; or
- a drug offense.

A respondent must complete the terms of his or her disposition, including affirmative conditions and financial obligations in order to have a court seal his or her juvenile court record during a regularly scheduled sealing hearing.

If a contested sealing hearing is held, the court shall enter a written order sealing the juvenile court record unless the court determines that sealing is not appropriate.

The court must enter an order immediately sealing the juvenile court record after an acquittal or dismissal of charges.

Any adjudication of a juvenile offense or crime subsequent to sealing nullifies a sealing order. The court may, however, order the juvenile record resealed upon disposition of the subsequent matter if the case meets the sealing criteria.

If an individual's juvenile court record has been sealed, the record of an employee is not admissible in an action for liability against the employer based on conduct of the former juvenile offender to show that the employer knew or should have known about the juvenile record of the employee. However, the record may be admissible if a background check conducted by the employer contained information from the sealed record.

The Caseload Forecast Council may permit access to caseload forecast data for research purposes, but only if the anonymity of all persons mentioned in the records or information will be preserved.

Votes on Final Passage:

House	97	0	
House	96	0	
Senate	48	0	(Senate amended)
House	97	1	(House concurred)

Effective: June 12, 2014

SHB 1669

C 60 L 14

Concerning self-supporting, fee-based programs at four-year institutions of higher education.

By House Committee on Higher Education (originally sponsored by Representatives Pollet, Haler, Cody, Tarleton, Johnson, Seaquist, Farrell, Magendanz, Riccelli and Ryu).

House Committee on Higher Education
Senate Committee on Higher Education

Background: Public baccalaureate institutions in Washington offer a variety of fee-based programs that are self-supporting and are not funded through state funding. These programs are primarily aimed at students who would benefit from alternative delivery options such as evenings and weekends, and via distance learning. Self-supporting, fee-based programs range from the certificate level to doctorate level programs and are offered in a variety of disciplines.

At the University of Washington, for example, self-supporting programs are managed by the Educational Outreach program. For the 2011-2012 academic year the university's provost permitted certain degree programs to be created or transferred to the Educational Outreach program, only if they: (1) were offered in an alternative format from an existing campus-based, daytime, full-time degree program; (2) served primarily non-traditionally-aged students in undergraduate programs, professionals in masters-level programs, part-time students, or international students; or (3) were new interdisciplinary programs that did not align well with exiting academic units. In 2012 the University of Washington placed a moratorium on transferring state-supported programs to fee-based, self-supporting programs. That moratorium is in place until July 1, 2015.

Summary: When a decision is being considered to change a degree program that is supported by state funding to a self-supporting, fee-based program, a public baccalaureate institution must:

- publicly notify prospective students, including notification in admission offers with an estimate of tuition and fees;
- provide at least six months' notification to enrolled students and undergraduate or graduate student government associations; and
- allow students currently enrolled in the program that is changing to a self-supporting program to continue in the state-supported program structure for a consec-

utive amount of time no greater than four years in length.

Each public baccalaureate institution is required to establish or designate a committee (Committee) comprising administrators, faculty, and students to evaluate a proposed shift from a state-funded degree program to a self-supporting, fee-based program. When establishing evaluation criteria, the Committee must consider including the following criteria:

- the financial health and sustainability of the program;
- if moving the program to a self-supporting funding basis alters the availability of student financial aid;
- the audience for the program, the format of the program, and the institutional priority for state funding of the program;
- demographics of students served and graduates practicing in typical fields of study; and
- alternatives to shifting to a self-supporting funding basis including raising tuition within the state-funded context or program elimination.

The Committee may also establish a process to periodically evaluate programs that have shifted from a state-supported program to a fee-based funding model for alignment with criteria established.

Votes on Final Passage:

House	84	14
House	86	11
Senate	49	0

Effective: June 12, 2014

2SHB 1709

PARTIAL VETO

C 150 L 14

Concerning foreign language interpretation services for public schools.

By House Committee on Appropriations Subcommittee on Education (originally sponsored by Representatives Dahlquist, Santos, Magendanz, Moscoso, Fagan, Ryu, Maxwell, Pollet and Bergquist).

House Committee on Education
House Committee on Appropriations Subcommittee on Education
Senate Committee on Early Learning & K-12 Education

Background: According to the Office of the Superintendent of Public Instruction (OSPI), 94,176 students in May of 2013 were enrolled in the Transitional Bilingual Instruction Program (TBIP), representing 9 percent of total student enrollment. Data from the TBIP indicate students spoke more than 200 different languages.

The OSPI website contains a variety of information regarding communication with Limited English Proficient (LEP) parents and families that could be used by school districts or parents directly. There are samples of translated notices from districts to parents and translated resources for parents on topics such as special education, health and safety, student and parent rights, and graduation requirements. The OSPI has also issued guidance to school districts regarding their responsibilities under Title VI of the federal Civil Rights Act of 1964 to provide LEP parents and families access to vital school information in a language they can understand.

The state Department of Enterprise Services has a contract with three telephone-based interpreter services that provide 24-hour, seven-day-a-week interpretation in more than 200 languages. School districts may participate in the state contract.

The Office of the Education Ombuds (OEO) was established in 2006 to serve as an independent resource for parents and families regarding their involvement with public schools. The Washington State School Directors' Association (WSSDA) is a membership organization of all school boards from across the state. One of the services provided by the WSSDA is development of model policies and procedures on various topics that school districts can choose to adopt or adapt as their own.

Summary: The OEO must conduct a feasibility study for development of a state foreign language education interpreter training program designed to create a pool of trained interpreters for public schools, including volunteer interpreters. The study must include:

- an overview of current need and availability of interpreters;
- current practices for schools to provide interpreters;
- an inventory of interpreter training programs in Washington and examples from other states;
- an examination of applicable federal and state laws that apply to provision of interpretation in public schools, including family and student privacy laws and Title VI of the Civil Rights Act of 1964; and
- an inventory of community resources for interpreter training, including for volunteer interpreters.

The study is due to the legislative education committees by February 1, 2015.

The WSSDA, in consultation with the OEO and other interested parties, must develop a model family language access policy and procedure for school districts by June 1, 2015, if funds are appropriated for this purpose. The OSPI and the OEO must post information on the agency website regarding phone interpretation vendors under contract with the state, and school districts are encouraged to use these interpretation services to communicate with LEP families.

Votes on Final Passage:

House	84	14	
Senate	43	4	(Senate amended)
House	81	17	(House concurred)

Effective: June 12, 2014

Partial Veto Summary: The legislative intent section is vetoed.

VETO MESSAGE ON 2SHB 1709

March 31, 2014

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

Ladies and Gentlemen:

I am returning herewith, without my approval as to Section 1, Second Substitute House Bill No. 1709 entitled:

"AN ACT Relating to training for volunteer foreign language interpreters in K-12 public schools."

Section 1 is an intent section that discusses various experiences related to limited English proficient families and is not necessary to interpret or implement the substantive provisions of the bill.

For these reasons I have vetoed Section 1 of Second Substitute House Bill No. 1709.

With the exception of Section 1, Second Substitute House Bill No. 1709 is approved.

Respectfully submitted,

Jay Inslee
Governor

HB 1724
C 110 L 14

Concerning statements made by juveniles during assessments or screenings for mental health or chemical dependency treatment.

By Representatives Roberts, Kagi, Pettigrew, Goodman, Green, Reykdal, Cody, Jinkins, Appleton, Freeman, Moeller, Ryu, Pollet, Moscoso and Bergquist.

House Committee on Early Learning & Human Services
Senate Committee on Human Services & Corrections

Background: A juvenile has the same privilege against self-incrimination as an adult. This privilege prohibits the use of a juvenile offender's statements unless the privilege has been knowingly and intelligently waived following a warning. Courts have held that the privilege against self-incrimination applies to statements made by a juvenile to court-appointed mental health professionals when a juvenile is the subject of a decline hearing and other stages of a juvenile offender's case. Even though an offender has the privilege against self-incrimination, such statements may be used to impeach the credibility of the juvenile or to assess the level of risk of a juvenile at a disposition hearing.

Summary: A juvenile's statements, admissions, or confessions in the course of a mental health or chemical dependency screening or assessment are not admissible into evidence against the juvenile on the issue of guilt in any juvenile offender matter or adult criminal proceeding. The prohibition applies even where the court has not ordered the assessment or the screening.

Statements, admissions, or confessions are admissible if the juvenile has placed his or her mental health at issue and for any other purpose or proceeding allowed by law, such as impeachment. The prohibition does not apply to statements, admissions, or confessions made to law enforcement, and the prohibition does not allow a juvenile to argue that evidence lawfully obtained based upon information in the statements, admissions, or confessions should be suppressed.

Votes on Final Passage:

House	81	17
House	72	23
Senate	47	2

Effective: June 12, 2014

SHB 1742
C 27 L 14

Allowing sales of growlers of wine.

By House Committee on Government Accountability & Oversight (originally sponsored by Representatives Wylie, Ryu, Hunter, S. Hunt and Moscoso).

House Committee on Government Accountability & Oversight
Senate Committee on Commerce & Labor

Background: Introduction. The Liquor Control Board (LCB) issues various types of licenses, including those for beer or wine specialty shops, wineries, microbreweries, domestic breweries, restaurants, and nightclubs. In certain circumstances, the LCB may impose conditions or restrictions on a licensee or include special endorsements authorizing the sale of specified alcoholic beverages subject to specified conditions.

Domestic Wineries. Wineries licensed in Washington (domestic wineries) may act as distributors and retailers of wine of their own production. Domestic wineries must comply with applicable laws and rules relating to distributors and retailers.

Additionally, a domestic winery may have up to two locations separate from its manufacturing site where the winery may serve samples and sell wine of its own production at retail (additional tasting rooms). The LCB must approve each additional tasting room.

Summary: A domestic winery with additional tasting rooms may sell for off-premises consumption wines of its own production in kegs or growlers meeting the applicable requirements of federal law. The growlers may be brought to the premises by the customer or supplied by the licensee and filled at the tap at the time of sale.

Votes on Final Passage:

House	97	0
Senate	43	6

Effective: June 12, 2014

2SHB 1773
C 187 L 14

Concerning the practice of midwifery.

By House Committee on Health Care & Wellness (originally sponsored by Representatives Morrell, Rodne, Cody, Green, Ryu, Liias, Farrell and Santos).

House Committee on Health Care & Wellness
Senate Committee on Health Care

Background: A licensed midwife renders medical care for compensation to a woman during prenatal, intrapartum, and postpartum stages. To be licensed in Washington, a midwife must:

- have a high school education;
- be at least 21 years of age;
- possess a certificate or diploma from a midwifery program;
- obtain a minimum of three years of midwifery training;
- meet minimum educational requirements;
- for a student midwife during training, undertake the care of at least 50 women in each of the prenatal, intrapartum, and early postpartum periods;
- observe an additional 50 women in the intrapartum period; and
- pass an examination.

Standards for the certified professional midwife credential are set by the North American Registry of Midwives.

Legislation enacted in 2012 permitted registered nurses and licensed practical nurses to practice and administer medications, treatments, tests, and inoculations at the direction of a licensed midwife.

In December 2013 the Department of Health published a sunrise review recommending that the practice of midwifery include rendering medical aid for compensation to a newborn up to two weeks of age and that "medical aid" be defined in rule.

Summary: The practice of midwifery includes rendering medical aid for compensation to a newborn up to two weeks of age.

A midwife may delegate to a registered nurse or licensed practical nurse midwifery tasks that do not exceed the nurse's education.

A licensed midwife must renew his or her license according to the following requirements:

- completion of a minimum of 30 hours of continuing education every three years;
- proof of participation in a Washington coordinated quality improvement program;
- proof of participation in data submission on perinatal outcomes to a national or state research organization; and
- payment of fees determined by the Secretary of Health (Secretary).

The Secretary must write rules regarding the renewal process and the process for verifying the third-party data submission. The Secretary must also write rules to bridge the gap between requirements of national certification of certified professional midwives and state requirements for licensure.

Votes on Final Passage:

House	93	4
House	91	5
Senate	49	0

Effective: June 12, 2014

HB 1785
C 28 L 14

Authorizing de minimis use of state resources to provide information about programs that may be authorized payroll deductions.

By Representatives S. Hunt, Kristiansen and Ryu.

House Committee on Government Operations & Elections
Senate Committee on Governmental Operations

Background: It is a violation of state ethics laws for a state officer or state employee to employ or use any person, money, or property under the officer's or employee's control or direction or in his or her official custody, for his or her private benefit or for the benefit of another. Occasional but limited use of state resources (de minimis exception) is allowed if there is no actual cost to the state or the cost to the state is so small as to be insignificant or negligible.

A state or other public employee may authorize payroll deductions for medical and hospital care; life, accident or health insurance; or retirement plans. Businesses selling these insurance products typically ask permission to use state facilities to contact state employees.

Summary: A provider of payroll deduction programs may use state facilities to provide employees with information about programs, such as:

- medical, surgical, and hospital care;
- life insurance or accident and health disability insurance; or
- individual retirement accounts.

Votes on Final Passage:

House	98	0
Senate	48	1

Effective: June 12, 2014

SHB 1791
C 188 L 14

Concerning trafficking.

By House Committee on Public Safety (originally sponsored by Representatives Parker, Orwall, Fagan, Riccelli, Ryu, Haler, Moscoso and Santos).

House Committee on Public Safety
Senate Committee on Law & Justice

Background: Trafficking and Sex Offenses. A person is guilty of trafficking when that person:

- recruits, harbors, transports, transfers, provides, obtains, buys, purchases, or receives by any means another person knowing, or in reckless disregard for the fact, that force, fraud, or coercion will be used to cause the person to engage in forced labor, involuntary servitude, a sexually explicit act, or a commercial sex act, or that the person has not reached the age of 18 years and is caused to engage in a sexually explicit act or a commercial sex act; or
- benefits financially or receives anything of value from participation in a venture that has engaged in the above acts.

The offense is trafficking in the first degree if the acts involve kidnapping, sexual motivation, or illegal harvesting of human organs, or results in a death. Trafficking in the first degree is a class A felony.

A person convicted of a sex offense must register with the county sheriff for that person's county of residence and provide specific personal information. This information is placed in a central registry maintained by the Washington State Patrol. Some information about registered sex offenders, including residential address and conviction data, is made available to the public.

A conviction for trafficking in the first degree is not a sex offense that triggers registration unless there is a finding of sexual motivation that is alleged by the prosecutor and found by the fact finder beyond a reasonable doubt. Sexual motivation means that one of the purposes for which the defendant committed the crime was for the purpose of the defendant's sexual gratification.

Seizure and Forfeiture. When authorized by law, a law enforcement agency may take possession of property with the intent to forfeit a person's right to own or possess that property.

Generally, civil property forfeiture may be permitted when the property was used to facilitate a crime, the property is actual proceeds of a crime, or the property was purchased from proceeds traceable to criminal activity. Forfeiture of property is permitted in the case of drug crimes, crimes committed with a firearm, human sex trafficking and sexual exploitation crimes, criminal profiteering, and other felony crimes. The seizing law enforcement agency must comply with specific statutory procedural due process requirements in order to successfully forfeit a previous ownership or possessory right in such property.

Pornographic materials and personal property used or intended to be used to facilitate the manufacture or distribution of child pornography are subject to forfeiture. If property is forfeited to a law enforcement agency under these circumstances the agency may retain the property for official use, release the property to another law enforcement agency for the exclusive use of enforcing the chapter on sexual exploitation of children, or sell any property that is not required to be destroyed by law or is harmful to the public. The proceeds from property forfeited in connection with child pornography will be used by the seizing agency for payment of all proper expenses of the investigation and the forfeiture and sale proceedings. Fifty percent of the money remaining after these expenses are paid is to be deposited into the State General Fund and 50 percent is to be deposited into the general fund of the state, county, or city of the seizing law enforcement agency.

Property acquired by or used to facilitate the crimes of Commercial Sexual Abuse of a Minor, Promoting Commercial Sexual Abuse of a Minor, or Promoting Prostitution in the first degree is subject to forfeiture. If property is forfeited to a law enforcement agency under these circumstances, the agency must sell any tangible property that is not required to be destroyed by law. By January 31, each seizing agency must pay to the State Treasury an amount equal to the net proceeds of any property forfeited under these circumstances during the preceding year. The net proceeds is the value of the property after deducting any outstanding security interest in the property, cost of sale, and cost of damages owed to a landlord, if applicable. The funds must be deposited into the state Prostitution Prevention and Intervention Account. The seizing law enforcement agency is not permitted to retain any portion of the forfeiture proceeds.

Summary: Sex Offense. The statutory definition of sex offense includes the crime of Trafficking in the first degree when:

- force, fraud, or coercion is used to cause the trafficked person to engage in a sexually explicit act or a commercial sex act; or
- a person under age 18 is caused to engage in a sexually explicit act or commercial sex act.

A finding of sexual motivation is not required in these circumstances in order for the offense to qualify as a sex offense.

Seizure and Forfeiture. Property forfeited because of its connection to child pornography, commercial sexual abuse, or promoting prostitution may be retained for use by the seizing law enforcement agency or another law enforcement agency for enforcement of any of the above offenses, destroyed, if required by law, or sold.

After satisfying any bona fide security interest and paying the cost of the sale, 10 percent of the proceeds from a forfeiture must be remitted to the Prostitution Prevention

and Intervention Account through an annual remittance by January 31 of each year. The remaining 90 percent must be used by the seizing law enforcement agency to pay expenses of the investigation leading to seizure and the forfeiture and sale proceedings. Any remaining money may be used by the seizing law enforcement agency for the exclusive use of enforcing laws relating to sexual exploitation of children, prostitution, or promoting prostitution.

The value of the forfeited property includes the sale price of sold property and the fair market value of retained property. Destroyed property or retained firearms or illegal property has no value for the purpose of this calculation.

Votes on Final Passage:

House	97	0	
Senate	49	0	(Senate amended)
House	98	0	(House concurred)

Effective: June 12, 2014

ESHB 1840

C 111 L 14

Concerning firearms laws for persons subject to no-contact orders, protection orders, and restraining orders.

By House Committee on Judiciary (originally sponsored by Representatives Goodman, Hope, Hunter, Pedersen, Bergquist, Habib, Fey, Ryu, Jinkins, Pollet and Tharinger).

House Committee on Judiciary
Senate Committee on Law & Justice

Background: Protection Orders, No-Contact Orders, and Restraining Orders. There are various types of civil protection orders a court may impose to restrict a person's ability to have contact with another person. A court may enter an ex parte temporary protection order and, upon a full hearing, a final order that lasts for a fixed term or, in some cases, is permanent. Additionally, courts may issue no-contact orders to protect victims during the pendency of criminal proceedings, and these orders may also be imposed or extended as a condition of release or sentence. A court may impose a restraining order in a variety of contexts, but they are commonly entered in family law proceedings to keep the parties from coming into contact with one another or to prevent removal of, or injury to, a child.

Unlawful Possession of a Firearm. *State Law.* A person is guilty of Unlawful Possession of a Firearm in the first degree if the person owns, possesses, or has in his or her control any firearm after having previously been convicted of a serious offense. A "serious offense" includes, among other things, any crime of violence, various class B felonies, any felony with a deadly weapon verdict, and certain vehicular related crimes when committed while under the influence of alcohol or drugs or while driving recklessly. Unlawful Possession of a Firearm in the first degree is a class B felony.

A person is guilty of Unlawful Possession of a Firearm in the second degree, a class C felony, if the person owns, possesses, or has in his or her control any firearm and the person:

- has previously been convicted of any felony (other than a serious offense);
- has previously been convicted of certain gross misdemeanors committed by one family or household member against another;
- has previously been involuntarily committed for mental health treatment;
- is under the age of 18 (with some exceptions); or
- is free on bond or personal recognizance pending trial, appeal, or sentencing for a serious offense.

Federal Law. Certain categories of people are disqualified from possessing firearms under federal law, including persons who have been convicted of a domestic violence offense and persons subject to certain restraining orders. The order must have been issued after notice and an opportunity for the person to participate; restrain the person from harassing, stalking, or threatening an intimate partner or the person's or intimate partner's child; and include a finding that the restrained person is a credible threat to the physical safety of an intimate partner or child, or terms restraining the person from using or threatening physical force against an intimate partner or child. The term "intimate partner" includes a person's spouse or former spouse, a parent of the person's child, and a person's current or former cohabitant.

Surrender of Firearms and Dangerous Weapons. Under state law, a person subject to most types of protection orders, no-contact orders, or restraining orders may, under some circumstances, be required to surrender their firearms, dangerous weapons, and concealed pistol license while the order is in place. In entering an order, if the person to be restrained has used or threatened to use a firearm in the commission of a felony, or is otherwise disqualified from having a firearm, the court either may or must require the person to surrender their firearms, dangerous weapons, and concealed pistol license, depending on the evidence presented.

Sexual assault protection orders are not included in the statutory provisions allowing or requiring a court to order weapons surrender. Sexual assault protection orders are available to victims of nonconsensual sexual conduct or penetration that gives rise to a reasonable fear of future dangerous acts. These orders provide a remedy for victims of sexual assault who do not qualify for a domestic violence protection order.

Summary: Sexual assault protection orders are included in the provisions of current law that require or allow a court to order a restrained party to surrender his or her firearms, dangerous weapons, and concealed pistol license when there is evidence that the party has used or threatened to use a firearm in the commission of a felony or is otherwise ineligible to possess a firearm.

Provisions are added prohibiting any person restrained under certain protection, no-contact, and restraining orders from possessing a firearm, dangerous weapon, or concealed pistol license while the order is in place. For the restrictions to apply the order must: (1) have been issued after notice and an opportunity of the person to participate; (2) restrain the person from harassing, stalking, or threatening an intimate partner or the person's or intimate partner's child; (3) include a finding that the restrained person is a credible threat to the physical safety of an intimate partner or the child of an intimate partner or the person; and (4) by its terms, restrain the person from using or threatening physical force against an intimate partner or child. An intimate partner includes a current or former spouse or domestic partner, a person with whom the restrained person has a child in common, or a person with whom the restrained person has cohabitated or is cohabitating as part of a dating relationship.

Possession of a firearm while subject to a qualifying protection, no-contact, or restraining order constitutes Unlawful Possession of a Firearm in the second degree. When entering a qualifying order the court must:

- require the respondent to surrender any firearm or other dangerous weapon;
- prohibit the respondent from obtaining or possessing a firearm or other dangerous weapon;
- require the party to surrender their concealed pistol license; and
- prohibit the party from obtaining or possessing a concealed pistol license.

The Administrative Office of the Courts is required to develop pattern forms for use in documenting a restrained person's compliance with an order to surrender firearms, dangerous weapons, and the person's concealed pistol license. When surrender of these items is ordered, the restrained person must file the appropriate form with the court within five judicial days.

All law enforcement agencies must develop policies and procedures regarding acceptance, storage, and return of weapons required to be surrendered.

Votes on Final Passage:

House	61	37
House	97	0
Senate	49	0

Effective: June 12, 2014
December 1, 2014 (Section 5)

SHB 1841

C 151 L 14

Authorizing electronic competitive bidding for state public works contracting.

By House Committee on Capital Budget (originally sponsored by Representatives Stonier, Warnick, Dunshee, Morrell, Ryu and Freeman; by request of Department of Enterprise Services).

House Committee on Capital Budget
Senate Committee on Governmental Operations

Background: Public Works Contracts. State agencies enter into public works contracts with the low responsive bidder after competitive bidding is done on public work projects. Contractors wishing to bid on a public works project must deliver the bid in paper form to the bid location provided by the state agency.

Electronic Signature. Electronic bidding is the electronic transfer of proposed bidding data between the state agency and contractors bidding on public works projects. Electronic signatures are currently used by the Department of Enterprise Services for the bidding and purchase of goods and services.

Chief Information Officer. The Chief Information Officer (CIO) was established in 2011. The CIO resides within the Office of Financial Management, and coordinates agency goals with information technology and business practices.

Summary: Electronic signatures are authorized on public works bidding documents for state agencies. The CIO is required to develop policies for using electronic signatures in public works contracts.

Votes on Final Passage:

House	97	0
House	97	0
Senate	49	0

Effective: June 12, 2014

ESHB 2023

C 144 L 14

Allowing crowdfunding for certain small securities offerings.

By House Committee on Business & Financial Services (originally sponsored by Representatives Habib, Ryu, Zeiger and Maxwell).

House Committee on Business & Financial Services
Senate Committee on Financial Institutions, Housing & Insurance

Background: The Securities Act of Washington, operating as a supplement to federal law, requires registration of securities offerings and certain persons and businesses engaged in securities transactions and creates penalties for

false or misleading filings. Certain offerings are defined as "securities" requiring registration.

Certain securities offerings, transactions, and persons are exempt from registration. Examples include:

- offerings not made to the general public but to sophisticated investors in compliance with the "private placement" provision of federal securities law;
- sales by non-issuers of the securities pursuant to unsolicited orders by the purchaser; and
- sales of whole loans secured by real estate.

Under the Securities Act of Washington, the Department of Financial Institutions (DFI) regulates the purchase and sale of securities in Washington. Under the Securities Act of Washington, the DFI must protect Washington residents from dishonest or fraudulent practices by people selling investments. To accomplish these goals, the DFI uses registration of securities offerings, licensing of broker-dealers and investment advisers, and investigations of complaints. Additionally, the DFI manages securities registration and investigation and enforcement of violations of the Securities Act of Washington.

Securities Act of 1933. The federal Securities Act of 1933 also requires registration of securities offerings. However, the federal act exempts transactions between issuers and purchasers who are residents of the same state (this is known as the intrastate offering exemption). The exemption is clarified by Rule 147, a safe harbor rule issued by the Securities and Exchange Commission (SEC). Under another rule, known as Regulation D, securities offerings are exempt if, among other things, the issuer files SEC Form D, which requires basic information about the company and the offering.

JOBS Act. Title III of the federal Jumpstart Our Business Startups Act of 2012 (JOBS Act) created an exemption from the Securities Act of 1933 for certain small securities offerings. Offerings are exempt if they meet various criteria, including a cap on the aggregate amount of securities offered by any issuer, a cap on the amount a given purchaser may invest, and a requirement that the offering be made through a broker or funding portal.

Under the JOBS Act, the SEC promulgates rules to carry out Title III. As of January 15, 2014, the SEC had issued a notice of proposed rulemaking, but formal rules had not been adopted.

Associate Development Organizations and Ports. Associate development organizations (ADOs), also known as economic development councils, are 38 local entities that are tasked with fostering economic development in a given county. An ADO is a local economic development nonprofit corporation that is broadly representative of community interests and is designated by a county and contracts with the Department of Commerce to be that department's primary partner in local economic development. The ADO's role is defined by statute and the needs of each community and must include direct support to local businesses and microenterprise development services.

Port districts are municipal entities authorized by the Washington Constitution to foster industrial development and trade promotion. By statute, a port district may engage in economic development programs. Some port districts are designated as ADOs by counties.

Summary: Exemption Criteria. An exemption from registration under the Securities Act of Washington is created for certain small securities offerings. An offering is exempt if:

- the offering is first declared exempt by the DFI after filing by:
- the issuer; or
- a portal working in collaboration with the DFI on behalf of the issuer;
- the offering is conducted in accordance with the intrastate offering exemption of the federal Securities Act of 1933 and SEC Rule 147;
- the issuer is a Washington entity and each investor provides evidence or certification of Washington residency;
- the issuer files an escrow agreement with the DFI, either directly or through a portal, providing that proceeds will be released only when the minimum target offering, as determined by the DFI, is met;
- the aggregate purchase price of securities sold under the exemption does not exceed $1 million during any 12-month period;
- the aggregate amount sold to any investor by an issuer during the 12-month period preceding the date of sale does not exceed: (1) the greater of $2,000 or 5 percent of the investor's annual income or net worth if the investor's income or net worth is less than $100,000; or (2) 10 percent of the annual income or net worth of the investor up to $100,000, if the investor's annual income or net worth is $100,000 or more;
- the investor acknowledges a conspicuously presented statement regarding the risk of the investment;
- the issuer reasonably believes that purchasers are purchasing for investment and not for sale in connection with a distribution; and
- the issuer and investor provide any other information reasonably required by the DFI.

The issuer must also provide a quarterly report to shareholders and the DFI and make the report publicly available.

Shareholders may not transfer their shares for a period of one year, unless the shares are transferred back to the issuer, they are transferred to an accredited investor, the transfer is part of a registered offering, or the shares are transferred to a family member in connection with death, divorce, or other similar circumstances.

Issuers of securities exempt from registration under the act may also claim other applicable exemptions.

Portals. Only an ADO or a port district may serve as a portal. Working in collaboration with the DFI, a portal may assist a person seeking exemption from registration under this act by offering services it deems appropriate or necessary to meet the criteria for exemption, including help with business plans and referral to legal services. When the portal is satisfied that the person is ready to file, it may file the necessary materials with the DFI on that person's behalf. The portal must continue to provide assistance to the issuer during the offering.

Before providing services or filing for the issuer, the portal must require the following information from the issuer:

- a description of the issuer;
- the intended use of the proceeds;
- identities of officers, directors, managing members, and owners;
- a description of outstanding securities; and
- a description of any litigation involving the issuer.

Rule-making and Public Records Act Exemption. The DFI must:

- adopt rules for filing by October 1, 2014;
- adopt rules for establishment of a licensing fee by January 1, 2015; and
- adopt any other rules necessary to implement the act by April 1, 2015.

The DFI must also adopt rules for the disqualification of persons seeking to use the crowdfunding exemption. The rules must be substantially similar to rules promulgated by the SEC pursuant to the JOBS Act.

Financial information collected by the DFI or by portals is exempt from Public Records Act disclosure.

Votes on Final Passage:

House	89	9	
Senate	46	2	(Senate amended)
House	98	0	(House concurred)

Effective: June 12, 2014

E2SHB 2029

C 112 L 14

Eliminating the economic development-related agencies, boards, and commissions.

By House Committee on Appropriations (originally sponsored by Representatives Morris and Hudgins).

House Committee on Appropriations
Senate Committee on Trade & Economic Development
Senate Committee on Ways & Means

Background: Economic Development Commission. In 2002 Governor Locke created the Washington Economic Development Commission (Commission) through executive order as a means for business and labor leaders to assist in the improvement and development of the state's economy. The following year, the Legislature established the Commission in statute as an advisory body to the Department of Community, Trade, and Economic Development, now the Department of Commerce (Department).

The Commission assists the Governor and Legislature by providing leadership, direction, and guidance on a long-term and systematic approach to economic development. In 2011 the Commission was directed to concentrate its major efforts on strategic planning, policy research and analysis, advocacy, evaluation, and promoting coordination and collaboration.

The 24-member Commission consists of 15 voting members appointed by the Governor, plus five agency directors and four legislators who serve as nonvoting ex-officio members.

Global Health Technologies. In 2010 legislation was enacted creating the Washington Global Health Technologies and Product Development Competitiveness Program, to be administered by a nonprofit organization with a 10-member board of directors appointed by the Governor. This entity is required to contract with the Department for management services. The board's duties include soliciting funds from businesses, foundations, and the federal government and making grants for development of global health technologies and products.

Grant award recipients must conduct their research, development, and production activities within Washington, except for clinical trials that must be carried out in developing countries.

The legislation also created the Washington Global Health Technologies and Product Development Account as a nonappropriated account in the custody of the State Treasurer to be funded with federal and state monies and used to support the grants for global health commercialization efforts.

The board submitted its first required annual report in 2012.

Washington Tourism Commission. In 2007 legislation was enacted creating the Washington Tourism Commission (WTC) as the successor to the Tourism Development Advisory Committee.

The WTC and its activities and responsibilities were eliminated during the 2011-2013 fiscal biennium in the Omnibus Appropriations Act. The WTC accordingly ceased activity, but their responsibilities remain in statute. Among its statutory requirements are quarterly meeting requirements and a biennial report to the Legislature on tourism-related activities.

Microenterprise Development Program. In 2007 legislation was enacted creating the Microenterprise Development Program in the Department to assist microenterprises in job creation by increasing the training, technical assistance, and financial resources available to them. The Department provides organizational support to a statewide microenterprise association and contracts with the association for the delivery of services and distribution of grants.

Summary: Economic Development Commission. The statutes providing for the creation of the Washington Economic Development Commission (Commission), the Legislature's intent for the creation of the Commission, and the duties and authorities of the Commission are repealed. All statutory references to the Commission and the statewide economic development strategy are removed.

Innovation Research Teams, Innovation Partnership Advisory Group, and the Entrepreneur-in-Residence Program. The Innovation Research Teams, Innovation Partnership Advisory Group, and the Entrepreneur-in-Residence program from the Department are eliminated.

Global Health Technologies. The statute creating the Global Health Technologies and Product Competitiveness Program is repealed.

Washington Tourism Commission. The statutes creating the Washington Tourism Commission (WTC) and providing for the WTC's duties and responsibilities are repealed.

Microenterprise Development Program. The statute authorizing the Microenterprise Development Program is repealed. Definitions of "microenterprise development organization" and "statewide microenterprise association" are removed. A technical correction is made to the definition of small business.

Votes on Final Passage:

House	88	9	
Senate	49	0	(Senate amended)
House	97	1	(House concurred)

Effective: June 12, 2014
Contingent (Section 107)

SHB 2057
C 5 L 14

Modifying arrest without warrant provisions.

By House Committee on Public Safety (originally sponsored by Representatives Hayes, Hurst, Klippert, Holy, Van De Wege and Hope).

House Committee on Public Safety
Senate Committee on Law & Justice

Background: A police officer may arrest a person without a warrant for committing a misdemeanor or gross misdemeanor offense but only when the offense was committed in the presence of the arresting officer, except for in certain numerous situations enumerated in statute. For example, any police officer having probable cause to believe that a person has committed or is committing a misdemeanor or gross misdemeanor offense involving physical harm to any person, has the authority to arrest the person. In addition, any police officer having probable cause to believe that a person has violated certain traffic laws such as striking an unattended car has the authority to arrest that person.

In *State v. Ortega*, the Washington State Supreme Court (Court) considered the question as to whether an officer has lawful authority to arrest a gross misdemeanor suspect based only on the observations of another officer and whether an officer who directs an arrest from a remote location is an "arresting officer." In *Ortega*, a police officer positioned on the second floor of a building observed the defendant committing acts that gave the officer probable cause to believe the defendant was committing a gross misdemeanor. The officer then directed another officer by radio to arrest the defendant. The Court ruled that the arrest was unlawful because the officer who arrested the defendant was not present during the commission of the offense and because the officer who observed the defendant could not be deemed to be the arresting officer.

Summary: A police officer is authorized to arrest a person without a warrant for committing a misdemeanor or gross misdemeanor offense when the offense is committed in the presence of a police officer, though not necessarily the arresting officer.

Votes on Final Passage:

House	93	4
Senate	48	1

Effective: June 12, 2014

SHB 2080
C 176 L 14

Vacating convictions for certain tribal fishing activities.

By House Committee on Community Development, Housing & Tribal Affairs (originally sponsored by Representatives Sawyer, Zeiger, Appleton, Angel, DeBolt, Blake, Haler, McCoy, Wilcox, Fitzgibbon, Hurst, Freeman, S. Hunt, Santos and Ryu).

House Committee on Community Development, Housing & Tribal Affairs
Senate Committee on Law & Justice

Background: Indian Treaty Fishing Rights. In the mid-1850s the United States negotiated and executed a series of treaties with several Indian tribes that inhabited lands within and around the Washington Territory. Through these treaties, the tribes ceded their interest in much of the lands in the territory in exchange for monetary compensation. Certain parcels of land were reserved for the exclusive use of particular tribes.

The treaties also reserved certain aboriginal rights outside of the designated reservations, including the right to engage in fishing and hunting activities. Regarding fishing rights, all the treaties provided substantially similar language, securing the tribes' right of taking fish at usual and accustomed grounds and stations in common with all citizens of the state.

Over time, the state developed a comprehensive regulatory and enforcement code to manage and conserve the

fish resource in the state. The interpretation of the treaty fishing rights became an increasing source of controversy between the treaty tribes in attempting to exercise their right to fish and the state in maintaining regulatory authority over off-reservation fishing activities. As tensions grew in the 1960s and 1970s tribal members began testing the state's authority by fishing openly in violation of state law, which prompted state officials to arrest and prosecute tribal members in state court.

In 1970 the United States and several treaty tribes filed suit in federal court against the state for violating the tribes' treaty right to fish. After extensive litigation, the court ruled *United States v. Washington* that the treaties collectively entitled the tribes to a 50 percent share of the fish harvest in the state. The court further enjoined the state from asserting regulatory authority over treaty tribal members at off-reservation locations where a treaty fishing right existed. The court cited several state statutes and regulations, restricting the time, place, and manner of fishing activities, which the state was barred from enforcing in a way that would regulate, limit, or restrict the exercise of a tribe's treaty fishing right.

At the same time, the court recognized that the tribes had the authority to regulate the activities of their own members at these off-reservation locations. The court went on to establish a comanagement plan between the tribes and the state and retained jurisdiction over the case to resolve other on-going issues related to resource management.

Vacation of Convictions. *Misdemeanors and Gross Misdemeanors.* A person convicted of a misdemeanor or gross misdemeanor who has completed all the terms of his or her sentence may apply to the sentencing court for a vacation of his or her record of conviction. The court has discretion to vacate the conviction, unless certain conditions are found, including:

- the conviction was for a violent offense, a driving while under the influence (DUI) related offense, a sex offense, or certain kinds of domestic violence offenses;
- the person has charges pending in any state or federal court;
- the person has been convicted of another crime or has had another conviction vacated;
- less than three years have passed since the person has completed the sentencing terms; or
- the person has had a protection or restraining order issued against him or her in the last five years.

Felonies. A person convicted of a felony who has been discharged upon completion of all requirements of the sentence may apply to the sentencing court for a vacation of the record of his or her record of conviction. The sentencing court has discretion to vacate the record of a felony conviction, unless certain conditions are found, including:

- the conviction was for a violent offense, offense against a person, or certain DUI offenses;
- the person has charges pending in any state or federal court or has been convicted of a new crime;
- less than 10 years have passed since the date of discharge for a class B felony; or
- less than five years have passed since the date of discharge for class C felonies, other than certain DUI offenses.

A vacated record of conviction releases the person from all penalties and disabilities resulting from the offenses and may not be included in the offender's criminal history for purposes of determining a sentence. For all purposes, including responding to employment or housing applications, the person may respond that he or she has never been convicted of that crime. However, a vacated conviction record may be used in a later criminal prosecution.

Summary: Any person who was convicted prior to 1975 of misdemeanor, gross misdemeanor, or felony offense related to fishing activity may apply to the sentencing court for the vacation of that conviction if the person had claimed to be exercising a tribal treaty fishing right. A family member or tribal representative may apply on behalf of a deceased tribal member. The court shall vacate the conviction if:

- the person is a member of a tribe that has a treaty fishing right at the location where the offense occurred; and
- the state has been enjoined from enforcing the statute or rule that was violated, under the ruling in the *United States v. Washington* or other state supreme court or federal court decision, to the extent that such enforcement interferes with a treaty Indian fishing right.

Votes on Final Passage:

House	92	6
Senate	49	0

Effective: June 12, 2014

EHB 2088

C 1 L 13 E 3

Making appropriations specifically for activities related to the aerospace industry for permitting and training, including program development, staff, facilities, and equipment.

By Representatives Sells, Seaquist, Senn and Morrell; by request of Governor Inslee.

House Committee on Appropriations

Background: Aerospace Workforce Education and Training. There are a variety of programs to educate and train students and workers in science, technology, engineering, and math in K-12 schools, community and tech-

nical colleges, and four-year institutions. In addition, there are programs and funding specifically for education and training related to high demand fields including the aerospace industry.

As directed by the Legislature in 2011, the State Board for Community and Technical Colleges (SBCTC) established the Aerospace and Advanced Materials Manufacturing Pipeline Advisory Committee (Advisory Committee). The Advisory Committee is required to:

- direct the development of a skills gap analysis produced with the Workforce Training and Education Coordinating Board (Workforce Board) using data developed through the Education Data Center at the Office of Financial Management, and consistent with the joint assessment of higher education and training credentials required to match employer demand;
- establish goals for students served, program completion rates, and employment rates;
- coordinate and disseminate industry advice for training programs; and
- recommend training programs for review by the Workforce Board in coordination with the SBCTC.

The Washington Aerospace Training and Research Center (WATR) provides short-term training courses teaching skills required in the aerospace industry and providing college credit. The WATR opened in 2010 and is operated by Edmonds Community College. It is located at Paine Field in Snohomish County.

The City of Renton is in the process of developing the Renton Aerospace Training Center at the Renton Airport. Renton Technical College will train aerospace workers at the facility.

Project Permitting. The state regulates land use and development activities within its borders through a number of statutes, including the State Environmental Policy Act (SEPA). The SEPA requires that an Environmental Impact Statement (EIS) be prepared if a proposal is likely to have significant adverse environmental impacts. The EIS includes, in part, detailed information about the environmental impact of the project, any adverse environmental effects that cannot be avoided if the proposal is implemented, and alternatives, including mitigation, to the proposed action.

Most cities and counties may adopt a process in accordance with requirements prescribed in the SEPA that allow for up-front planning activities in specific geographic areas. Up-front analysis of impacts and mitigation measures can facilitate environmental review of subsequent individual development projects. Local jurisdictions may assess a fee upon subsequent development that will make use of and benefit from the up-front analysis.

Summary: Operating Budget. Supplemental appropriations are made to the 2013-15 Operating Budget for aerospace worker education and training and for environmental permitting activities related to large aerospace facilities.

Eight million dollars General Fund-State (GF-S) is appropriated in fiscal year (FY) 2015 for the SBCTC to add 1,000 full-time equivalent students in the 2014-15 school year. The additional enrollments are to take place at locations and in programs recommended by the Advisory Committee. It is the intent of the Legislature that funding be ongoing as long as there is a demonstrated need. In addition, $500,000 GF-S is appropriated in FY 2015 to the SBCTC to develop a fabrication composite wing training program for current aerospace workers at the WATR. It is the intent of the Legislature to continue this training in FY 2016.

Two million dollars GF-S is appropriated to the Department of Commerce to make grants to local governments to assist in paying the cost of an environmental analysis that advances environmental permitting activities related to large manufacturing sites for aerospace and other key economic growth centers. Of this amount, $750,000 is for FY 2014 and the remainder is for FY 2015.

Capital Budget. Supplemental appropriations are also made to the 2013-15 Capital Budget related to facilities for aerospace worker education and training.

Five million dollars is appropriated from the bond financed State Building Construction Account-State to the Department of Commerce for the Renton Aerospace Training Center construction. This is in addition to $5 million provided in the underlying biennial capital budget.

One and a half million dollars is appropriated from the State Building Construction Account-State to the SBCTC for building modifications to the WATR and for acquisition of specialized equipment related to a fabrication composite wing training program for current aerospace workers.

Votes on Final Passage:

Third Special Session

House	77	9
Senate	43	0

Effective: February 8, 2014

HB 2099

C 152 L 14

Extending the expiration date for reporting requirements on timber purchases.

By Representatives Vick, Blake, Buys, Van De Wege, Orcutt, Haler, Ross and Fagan.

House Committee on Agriculture & Natural Resources
Senate Committee on Natural Resources & Parks

Background: Every harvester of timber is required to pay an excise tax of 5 percent of the stumpage value of any

trees that they harvest. The excise tax applies to timber harvested from both private and public lands.

Every person who purchases more than 200,000 board feet of private timber in a voluntary sale is required to report certain information to the Department of Revenue (Department). Information that is required to be reported includes the sale date, total sale price, total acreage involved in the sale, net volume of timber purchased, road construction that was required, data from the timber cruise, and any timber thinning information. The Department may assess a penalty of $250 for failure to report the required information.

Information gathered in the reports is used by the Department to establish tables of stumpage values. A stumpage table is required to be prepared for each species of tree. The values on the tables indicate the amount that each species would sell for at a voluntary sale made in the ordinary course of business. The stumpage value tables are used to calculate the excise tax due from each timber harvester.

The requirement to report sales information to the Department expires on July 1, 2014.

Summary: The expiration date of the requirement that data about timber purchases be reported to the Department is extended from 2014 until 2018.

Votes on Final Passage:

House	97	0
Senate	49	0

Effective: June 12, 2014

HB 2100

C 6 L 14

Creating Seattle University special license plates.

By Representatives Johnson, Rodne, Pollet, Zeiger, Tarleton, Senn, Habib, Moscoso, Goodman, Bergquist, Fey, Walkinshaw, Riccelli and Freeman.

House Committee on Transportation
Senate Committee on Transportation

Background: The Department of Licensing (DOL) issues special vehicle license plates that may be used in lieu of standard plates. A governmental or nonprofit sponsoring organization seeking to sponsor a special plate either submits an application to the DOL or requests legislation to create the special plate. The sponsoring organization seeking to sponsor the special plate is required to reimburse the DOL for the costs of establishing the new special plate. There is a moratorium on the issuance of new special plates until July 1, 2015.

For special license plates that are enacted by the Legislature, a sponsoring organization must, within 30 days of enactment, submit prepayment of all start-up costs to the DOL. If the sponsoring organization is not able to meet the prepayment requirement, revenues generated from the sale of the special license plate are first used to pay off any costs associated with establishing the new plate. The sponsoring organization must also provide a proposed license plate design to the DOL. Additionally, the sponsoring organization must submit an annual financial report to the DOL detailing actual revenues generated from the sale of the special license plate. The reports are reviewed, approved, and presented to the Joint Transportation Committee.

The DOL collects special license plate fees and, for administrative expenses, deducts an amount not to exceed $12 for new plate issuance and $2 for renewal. After these expenses are paid, the State Treasurer deposits the proceeds into the Motor Vehicle Account until the DOL determines the start-up costs for a special license plate are paid.

Summary: The Seattle University special license plate is created, which displays a symbol or artwork recognizing Seattle University. In addition to all fees and taxes required to be paid upon application for a vehicle registration, a fee of $40 is charged for a Seattle University special license plate and a $30 fee is charged for renewal of the plate.

After the costs associated with establishing the special license plates are recovered, proceeds from the sale of the Seattle University special license plates fund scholarships for students attending or planning to attend Seattle University.

The Seattle University special license plate is exempt from the moratorium on new special license plates.

Votes on Final Passage:

House	91	7
Senate	46	3

Effective: January 1, 2015

SHB 2102

C 113 L 14

Requiring a prisoner to seek authorization from a court before commencing a civil action against the victim of the prisoner's crimes.

By House Committee on Judiciary (originally sponsored by Representatives Sawyer, Muri, Kirby, Zeiger, Fey, Seaquist, Green, Morrell, Jinkins, Liias, Van De Wege, Ryu and Bergquist).

House Committee on Judiciary
Senate Committee on Law & Justice

Background: The following crimes are classified as serious violent offenses:

- Murder in the first or second degree;
- Homicide by Abuse;
- Manslaughter in the first degree;
- Assault in the first degree;
- Kidnapping in the first degree;
- Rape in the first degree;

- Assault of a Child in the first degree; or
- an attempt, criminal solicitation, or criminal conspiracy to commit one of these crimes.

Standard range sentences for such offenses range from 51 months up to life.

Through a program called earned early release, offenders may shorten their sentence time if they display good behavior. The crime committed, date of conviction, and the offender's risk classification determine the maximum percentage of time off the sentence an offender may earn. Offenders who are convicted of certain offenses are eligible to be released to community custody in lieu of earned early release. Prison misbehavior may result in the loss of earned early release time credit. Loss of early release time and other privileges are governed by rules adopted by the Department of Corrections (DOC).

Summary: A person convicted and confined for any serious violent offense is required to first obtain a court order of authorization, from the sentencing or presiding judge in the county of conviction, before filing most actions in state court against the victim of the offense or the victim's spouse, domestic partner, children, parents, or siblings. Prior authorization is not required for domestic relations actions such as dissolution, child custody, child support, parentage, and adoption.

Failure to obtain the authorization prior to commencing such an action results in loss of early release time or other privileges. The DOC must develop rules, and may exercise discretion to determine whether and how the loss may be applied and the amount of reduction of early release time, loss of other privileges, or a combination of the two.

The court may refuse to authorize a claim or action if the court finds that it is frivolous or malicious. Factors that the court may consider in making this determination include whether:

- the claim's realistic chance of ultimate success is slight;
- the claim has no arguable basis in law or in fact;
- it is clear that the party cannot prove facts in support of the claim;
- the claim has been brought with the intent to harass the opposing party; or
- the claim is substantially similar to a previous claim filed by the inmate because the claim arises from the same operative facts.

Votes on Final Passage:

House	97	0	
Senate	49	0	(Senate amended)
House	94	0	(House concurred)

Effective: June 12, 2014

SHB 2105

C 61 L 14

Promoting transparency in government by requiring public agencies with governing bodies to post their agendas online in advance of meetings.

By House Committee on Government Operations & Elections (originally sponsored by Representatives Hawkins, Bergquist, Buys, S. Hunt, Holy, Orwall, Ross, Reykdal, Hayes, Pollet, Kochmar, Hudgins, Magendanz, Moscoso, Vick, Riccelli, Klippert, Stonier, Nealey, Tarleton, Scott, Pike, Fagan, Fey, Seaquist, Chandler, Farrell, Haigh, Fitzgibbon, Sawyer, Moeller, Gregerson, Johnson, Haler, Appleton, Carlyle, Morrell, Goodman, Van De Wege and Freeman).

House Committee on Government Operations & Elections
Senate Committee on Governmental Operations

Background: The Open Public Meetings Act (OPMA) requires all meetings of the governing body of a public agency to be open to the public and that all persons be allowed to attend. For the purpose of the OPMA, a public agency is defined broadly and includes, but is not limited to, any state board, commission, department, education institution, agency, local government, and special purpose district. A governing body is defined as the multi-member board, commission, committee, council, or other policy or rule-making body of a public agency or any committee thereof that is acting on behalf of the public agency. A schedule for regular meetings must be provided by ordinance, resolution, bylaws, or other rule. State agencies must file a schedule of the time and place of meetings on or before January of each year to the Office of the Code Reviser for publication in the Washington state register. Any action taken at a meeting failing to comply with the OPMA is null and void. Any person may commence an action by mandamus or injunction to stop or prevent an OPMA violation. A $100 civil penalty can be issued to any member of a governing body who is aware that a meeting is in violation of the law. Any person who prevails against a public agency for violation of the OPMA must be awarded all costs including reasonable attorneys fees incurred in connection with such action.

Meeting agendas are not required to be posted online.

Summary: Public agencies with governing bodies must post meeting agendas online at least 24 hours in advance of each regular meeting. An agency is not required to post an agenda online if the agency does not have a website or if it employs fewer than 10 full-time equivalent employees. Failure to post an agenda online does not provide a basis for an award of attorney's fees, nullification of action taken at the meeting, or an action for mandamus or injunction, as provided under the OPMA.

Votes on Final Passage:

House	85	13
Senate	41	6

Effective: June 12, 2014

HB 2106
C 7 L 14

Concerning primaries for county offices.

By Representatives Hawkins, Bergquist, Condotta, Fitzgibbon, Manweller, Pollet, S. Hunt, Wylie, Haler and Appleton.

House Committee on Government Operations & Elections
Senate Committee on Governmental Operations

Background: In Washington's qualifying primary, generally the names of all candidates that file for office will appear on the primary ballot. If no more than two candidates have filed for a nonpartisan office, no primary is held. A primary must be held for all partisan offices, regardless of the number of candidates who file for a single office.

Summary: If there is an unexpired term for a single partisan county office, and only one candidate has filed for the position in the primary as of the last day allowed for candidates to withdraw, no primary may be held.

Votes on Final Passage:

House	86	10
Senate	48	1

Effective: June 12, 2014

EHB 2108
C 189 L 14

Concerning hearing instrument fitter/dispensers.

By Representatives Ross, Moeller and Johnson.

House Committee on Health Care & Wellness
Senate Committee on Health Care

Background: Hearing Instrument Fitters/Dispensers. A hearing instrument fitter/dispenser is authorized to sell, lease, or rent hearing instruments; modify hearing instruments; administer non-diagnostic tests; and use other procedures essential to these functions. The practice of fitting and dispensing hearing instruments includes:

- recommending specific hearing instrument systems, specific hearing instruments, or specific hearing instrument characteristics;
- taking impressions for ear molds;
- using non-diagnostic procedures and equipment to verify the appropriateness of the hearing instrument fitting; and
- performing hearing instrument orientation.

Qualifications. To be licensed as a hearing instrument fitter/dispenser, a person must:

- complete a two-year degree program in hearing instrument fitter/dispenser education approved by the Board of Hearing and Speech (Board) and pass an examination;
- hold a current, unsuspended, unrevoked license from another jurisdiction whose standards are substantially equivalent to Washington's; or
- hold a current, unsuspended, unrevoked license from another jurisdiction; demonstrate that he or she has actively practiced in the other jurisdiction for at least 48 of the past 60 months; achieve active certification from the International Hearing Society or the National Board for Certification in Hearing Instrument Sciences; and pass an examination.

Summary: Hearing Instrument Fitters/Dispensers. Hearing instrument fitters/dispensers are re-named "hearing aid specialists."

Qualifications. A person may be certified as a hearing aid specialist if he or she satisfactorily completes:

- a Board-approved, nine-month certificate program offered by a Board-approved hearing aid specialist program;
- a practical examination approved by the Board, which must be given at least quarterly and may be proctored by industry experts hired by the Board; and
- the hearing aid specialist examination.

The Department of Health (DOH), the Board, and representatives from community and technical colleges must review the opportunity to establish an interim work-based learning permit, or similar apprenticeship opportunity, to provide an additional licensing pathway for hear aid specialists. The group must consider the following areas:

- the opportunity to provide a work-based learning permit to applicants who either have a two-year or four-year degree in a field of study approved by the Board from an accredited institution of higher education or are no more than one full-time academic year away from such a two-year or four-year degree;
- the criteria for designating a board-approved hearing aid specialist or audiologist as the applicant's supervisor;
- the recommended duration of an interim work-based learning permit or apprenticeship;
- recommendations for a work-based learning permit or apprenticeship and opportunities to offer a program through a partnership with private business or through a partnership with accredited institutions of higher education and a sponsoring private business;
- recommendations for the learning pathways or academic components that should be required in any work-based learning program, which must include specific training elements that must be completed, such as audiometric testing, counseling regarding hearing examinations, hearing instrument selection, ear impressions, hearing instrument fitting and fol-

low-up care, and business practices, including ethics, regulations, and sanitation and infection control; and
- recommendations for the direct supervision of a work-based learning permit or apprenticeship, including the number of persons a hearing aid specialist or audiologist may supervise.

The DOH, the Board, and the representatives from community and technical colleges must submit recommendations to the health committees of the Legislature by December 1, 2014.

Votes on Final Passage:

House	86	12	
Senate	45	4	(Senate amended)
House	96	2	(House concurred)

Effective: June 12, 2014
July 1, 2015 (Section 4)

ESHB 2111
C 153 L 14

Concerning the enforcement of regional transit authority fares.

By House Committee on Transportation (originally sponsored by Representatives Farrell, Hayes, Fey, Rodne, Zeiger, Fitzgibbon, Morrell, Jinkins, Moscoso, Ryu and Freeman).

House Committee on Transportation
Senate Committee on Transportation

Background: Regional transit authorities (RTAs) are authorized to set fines and penalties for certain civil infractions, including: failure to pay the required fare; failure to display proof of payment when requested to do so by an authorized RTA employee; and failure to leave a facility when requested to do so by an individual authorized to monitor fare payment. Fines established by an RTA may not exceed the amount established in statute for a class 1 civil infraction, which is currently $250, before the addition of any statutory assessments, except in certain circumstances.

Summary: The citation form issued by an RTA for failure to provide proof of payment is required to be approved by the Administrative Office of the Courts and not contain vehicle information.

The requirement that a citation issued by an RTA conform to the general requirements for a notice of civil infractions is removed.

Votes on Final Passage:

House	97	0	
Senate	38	11	(Senate amended)
House	95	3	(House concurred)

Effective: June 12, 2014

HB 2115
C 178 L 14

Concerning the composition of the officer promotion board.

By Representatives Johnson, Appleton, Seaquist, Goodman, Moscoso, Klippert, Morrell, Orwall, Tarleton, Green, Smith, Zeiger, Haler, Ross, Hayes and Walkinshaw; by request of Washington Military Department.

House Committee on Community Development, Housing & Tribal Affairs
Senate Committee on Governmental Operations

Background: The state Constitution provides for the organization of the state militia with the Governor serving as Commander-in-Chief. The organized militia consists of the National Guard and the State Guard. The Governor may call the entire militia into active service, but the National Guard, including the Army National Guard and the Air National Guard, may also be called into federal service. The State Guard is available to serve when the National Guard is called into federal service.

The Governor commissions all officers in the state militia and appoints the Adjutant General to command the state militia. The Officer Promotion Board (OPB) selects commissioned officers for promotion or appointment to fill a vacancy. The composition of the OPB is determined by whether the promotion is for the National or State Guard.

For promotions within the Army National Guard or Air National Guard, respectively, the OPB consists of:
- the Adjutant General;
- the Assistant Adjutant General Army (or Air); and
- the five commanders senior in grade and date of rank in that grade in the Army (or Air) National Guard.

For promotions within the State Guard, the OPB consists of:
- the Adjutant General;
- the Assistant Adjutant General Army; and
- the five commanders senior in grade and date of rank in that grade in the State Guard.

Members of the OPB who are lieutenant colonels are automatically disqualified from selecting an officer for promotion to the rank of colonel. Likewise, lieutenant colonels and colonels are automatically disqualified from selecting an officer for promotion to the rank of brigadier general. Disqualified members are not replaced. An official act of the OPB must be approved by at least four members. If the OPB consists of less than four members, approval must be unanimous.

Summary: The OPB is restructured to consist of at least five voting members who are officers senior in grade to those officers being considered for promotion within the same respective division. Any member must be recused from participating in considering the promotion of an offi-

cer who is senior in grade to the member. The OPB must include at least one general officer appointed by the adjutant general for consideration of an officer promoted to lieutenant colonel or above.

Votes on Final Passage:

House	95	0
Senate	49	0

Effective: June 12, 2014

HB 2119

C 41 L 14

Designating Palouse falls as the state waterfall.

By Representatives Schmick, Fagan, Haler and Moscoso.

House Committee on Government Operations & Elections
Senate Committee on Governmental Operations

Background: Located in Franklin County, the Palouse Falls consists of an upper falls, with a drop of about 20 feet, and a lower falls, with a drop of about 180 feet. The canyon at the falls is 377 feet deep. The falls and canyon were created by the Missoula Floods that swept across Eastern Washington during the Pleistocene epoch.

Summary: Palouse Falls is designated as the official state waterfall.

Votes on Final Passage:

House	98	0
Senate	46	3

Effective: June 12, 2014

SHB 2125

C 62 L 14

Removing the requirements that all fines collected be credited to the Washington horse racing commission class C purse fund account.

By House Committee on Appropriations Subcommittee on General Government & Information Technology (originally sponsored by Representatives Schmick, Cody and Buys; by request of Horse Racing Commission).

House Committee on Appropriations Subcommittee on General Government & Information Technology
Senate Committee on Commerce & Labor

Background: The Washington Horse Racing Commission (Commission) is responsible for licensing, regulating, and supervising horse racing in the state.

The Commission may collect fines from licensees who violate Commission rules. Receipts from these fines must be credited to the Class C Purse Fund. The Class C Purse Fund also receives one-tenth of 1 percent of daily gross receipts of in-state pari-mutuel machines and is used for purse awards for qualifying nonprofit race meets.

Summary: Receipts from fines must be deposited and retained in the Horse Racing Commission Operating Account and used to support nonprofit racing.

Votes on Final Passage:

House	97	0
Senate	48	1

Effective: June 12, 2014

HB 2130

C 179 L 14

Concerning the veterans innovations program.

By Representatives MacEwen, Orwall, Morrell, Seaquist, Haler, Appleton, Ross, Stanford, Green, Van De Wege, Ormsby and Freeman; by request of Department of Veterans Affairs.

House Committee on Community Development, Housing & Tribal Affairs
House Committee on Appropriations Subcommittee on Health & Human Services
Senate Committee on Governmental Operations

Background: In 2006 the Legislature created the Veterans Innovations Program (VIP) within the Department of Veterans Affairs (DVA) to provide crisis and emergency relief and education, training, and employment assistance to veterans and their families. The DVA may receive gifts, grants, and endowments from public and private sources for the benefit of the VIP. The VIP has its own account from which expenditures may only be used for VIP purposes.

The VIP consists of two separate programs: the Defender's Fund and the Competitive Grant Program. The Defender's Fund provides assistance to veterans returning from Iraq, Afghanistan, or post-9/11 homeland security missions who are experiencing financial hardships due to their time away from home. Veterans eligible under the Defender's Fund may receive a one-time grant of up to $500.

The Competitive Grant Program funds proposals by veterans through a competitive selection process, based on three categories of need: crisis and emergency relief; education, training, and employment assistance; and community outreach and resources.

The VIP is scheduled to sunset in 2016.

Summary: The Defender's Fund and the Competitive Grant Program are eliminated within the VIP. Under the VIP, the DVA must provide funding and support to eligible veterans, National Guard members, and members of the Armed Forces reserves for crisis relief and education, training, and employment opportunities. The DVA must establish a process to make veterans and National Guard members and reservists aware of the VIP and to assist them in completing the VIP application.

The sunset of the VIP is removed.

Votes on Final Passage:

House	96	0	
Senate	49	0	(Senate amended)
House	94	0	(House concurred)

Effective: June 12, 2014

HB 2137
C 154 L 14

Modifying provisions governing commercial motor vehicles.

By Representatives Johnson, Moscoso, Hayes, Takko, Klippert, Haler, Ross and Ryu; by request of Washington State Patrol.

House Committee on Transportation
Senate Committee on Transportation

Background: In a recent audit of Washington law, the Federal Motor Carrier Safety Administration (FMCSA) and the State of Washington staff identified the following state laws that appeared to be incompatible with federal rules:

1. State law sets the minimum size for red warning flags used on over-dimensional loads at 12 inches square. The Safe, Accountable, Flexible, Efficient Transportation Equity Act changed federal law to require these warning flags to be 18 inches square. The federal law also allows for red or orange fluorescent warning flags.
2. State law limits the Washington State Patrol (WSP) to enforcement of hazardous materials on commercial motor carriers during the transportation of those materials on the highways. The motor carrier is only one of the entities involved in ensuring the safe transportation of hazardous materials under federal regulations. Federal law applies to all entities, which includes not only the motor carriers on the public highways, but also the entities that manufacture hazardous materials or perform pre-transportation functions. The WSP does not have the authority under state law to inspect those entities.
3. The recent FMCSA audit noted incompatibility with the farm exemption. Federal law provides limited exemptions for farmers, but does not provide full exemptions from the hazardous material requirements. State law excludes all farmers from the definition of motor carriers.
4. Federal law requires every bus transporting passengers to stop at a railroad crossing. State law exempts school buses or private carrier buses transporting school children or other passengers from stopping at a railroad crossing if the Superintendent of Public Instruction has identified circumstances where such vehicles would not be required to stop. The Office of the Superintendent of Public Instruction has provided a policy to each school district that requires school buses to stop at all railroad crossings.
5. Under state law, stopping is not required at crossings designated by the WSP. However, the Utilities and Transportation Commission (UTC), not the WSP, is the entity that has authority to grant exemptions for railroad crossings.

Summary: The following changes are made in the areas identified in the report:

1. The size of the warning flag on over-dimensional loads is changed from 12 inches to 18 inches, also allowing for either red or orange fluorescent warning flags.
2. It is clarified that only certain agricultural operations are exempt from regulations concerning the transportation of hazardous materials.
3. The WSP is given the authority to inspect entities that manufacture hazardous materials or perform pre-transportation functions for compliance with the federal standards.
4. The exemption for school buses not to stop at railroad crossings is removed.
5. The requirement for the WSP to establish a list of railroad crossings where stopping is not required is removed and changed to the UTC.

Votes on Final Passage:

House	88	10
Senate	45	2

Effective: June 12, 2014

HB 2140
C 8 L 14

Concerning credit unions' mergers.

By Representatives Ryu, Stanford, Kirby, Moscoso and Vick.

House Committee on Business & Financial Services
Senate Committee on Financial Institutions, Housing & Insurance

Background: Credit unions doing business in Washington may be chartered by the state or federal government. The National Credit Union Administration regulates federally chartered credit unions. The Department of Financial Institutions (DFI) regulates state-chartered credit unions.

State-chartered credit unions may merge with approval by directors and members. A merger requires approval by a majority vote of each credit union's board of directors and a two-thirds majority of voting members of the merging credit union.

Legislation was enacted in 2013 which modified various aspects of credit unions' corporate governance, including mergers. Before the changes were enacted, a merger required approval by a two-thirds majority vote of merging credit unions' boards of directors and a two-thirds majority of voting members of the merging credit union. The 2013 law eliminated the boards of directors' two-thirds majority requirement in favor of a simple majority, but left in place the requirement of a two-thirds majority of voting members.

Under federal law, federally chartered credit unions may merge upon a vote of a simple majority of voting members. Washington state-chartered credit unions may follow this procedure with permission of the DFI.

Summary: State-chartered credit unions may merge with the approval of a simple majority of voting members of the merging credit union.

Votes on Final Passage:

House	98	0
Senate	49	0

Effective: June 12, 2014

SHB 2146

C 190 L 14

Concerning department of labor and industries appeal bonds.

By House Committee on Labor & Workforce Development (originally sponsored by Representative Condotta).

House Committee on Labor & Workforce Development
House Committee on Appropriations
Senate Committee on Commerce & Labor
Senate Committee on Ways & Means

Background: The Department of Labor and Industries (Department) administers laws related to several trades including: construction contractors; electrical contractors, electricians, and electrical work; and conveyance contractors, mechanics, and conveyance work. Each of these laws provides for monetary penalties for specified violations. A party appealing a decision of the Department assessing penalties must accompany the appeal by a certified check for $200, which is returned to the assessed party if the party prevails. If the Department prevails, the $200 is applied for various purposes.

Construction Contractors. Violations of the contractor laws includes performing work without being registered as a contractor, advertising when the contractor's registration is suspended or revoked, and other violations. Each day is a separate violation. The penalty range is $200 to $10,000, depending on the violation. The Department's rules specify the penalties for each violation type subject to some statutory requirements. Appeals of contractor violations are handled by the Office of Administrative Hearings (OAH). By rule, a separate $200 appeal bond must be filed to appeal each violation. If the Department's decision is sustained, the $200 is applied to the expenses of the appeal including costs charged by the OAH.

Electrical. Violations of the electrical laws including installing wiring not in accordance with the law, offering to do electrical work without an electrical contractor's license, and employing a person who does not have a training certificate. The penalty range is $50 to $10,000, depending on the violation. Similar to contractors, a penalty schedule for each violation type is set forth in rule. Appeals of penalties are heard by the Electrical Board (Board), which has assigned appeals to the OAH. By rule, a separate $200 bond must be filed for each violation, up to a maximum of $1,000 for all violations by one entity. The Department may also deny a license or certificate renewal if penalties are owed. Appeal of a denial also requires a $200 appeal bond. In all cases, the Department's decision is sustained, the check amount is applied to the payment of the per diem and expenses of the Board, and any balance is paid into the Electrical License Fund.

Conveyances. The Department may assess a penalty for violation of the conveyance laws, with a penalty of not more than $500. On appeal, if the assessment is sustained the Department retains the amount of the check.

Summary: The appeal bond amount for appeals of penalties under the contractor, electrical, and conveyance laws is modified beginning July 1, 2015. The amount is 10 percent of the penalty amount, or $200, whichever is less, subject to a $100 minimum. The new amount also applies to appeals of denials of electrical license and certificate renewals.

Votes on Final Passage:

House	96	0	
Senate	49	0	(Senate amended)
House	95	0	(House concurred)

Effective: July 1, 2015

ESHB 2151

C 114 L 14

Concerning recreational trails.

By House Committee on Environment (originally sponsored by Representatives Blake and Seaquist).

House Committee on Environment
Senate Committee on Natural Resources & Parks

Background: The Department of Natural Resources (DNR) is charged with managing most of the state's public lands. The DNR manages nearly 3 million acres of uplands and over 2 million acres of aquatic lands. Although each individual land holding is managed by the DNR for a specific benefit or purpose, the concept of multiple use management covers all DNR-managed land.

The idea of "multiple use" means the provision of several uses simultaneously on the same tract of land. Out-

door recreation, in all of its various forms, is one of the multiple uses that the DNR is directed to provide when the recreation does not negatively impact the underlying land management purposes. Many lands managed by the DNR are used for hunting, fishing, hiking, camping, and motorized vehicle riding.

In implementing the multiple use mandate, the DNR is authorized to plan, construct, and operate recreational areas, trails, and facilities for educational, scientific, or experimental purposes. These activities may be carried out in conjunction with any other public or private agency.

Summary: The DNR must work with stakeholders to develop and implement an official recreational trail policy consistent with the management mandate of the agency. The policy must ensure that trails cause the least impact to the land, that environmental protections are provided, that the lowest reasonable construction costs are used, and that any volunteers operate under a hold harmless agreement. The initial policy must be adopted by October 31, 2015.

The DNR should use trail standards developed by the United States Forest Service as the primary guidelines for trail construction and maintenance; however, it may develop its own standards if the federal standards are deemed insufficient or impractical. Any non-designated trails must be considered for inclusion on comprehensive recreational management plans so long as they are compliant and consistent with those standards.

The DNR is encouraged to work with local governments to find efficiencies in gaining local permits for the development and maintenance of trails.

Votes on Final Passage:

House	97	1
Senate	48	1

Effective: June 12, 2014

SHB 2153

C 115 L 14

Concerning the treatment of eosinophilic gastrointestinal associated disorders.

By House Committee on Health Care & Wellness (originally sponsored by Representatives Habib, Tarleton, Ross, Green, Morrell, Springer, Tharinger, Jinkins, Goodman, Van De Wege, Clibborn, Fey and Riccelli).

House Committee on Health Care & Wellness
House Committee on Appropriations Subcommittee on Health & Human Services
Senate Committee on Health Care

Background: Eosinophilic Gastrointestinal Associated Disorders. Eosinophils are a type of white blood cells that contains proteins designed to help the body fight infection. Eosinophilic gastrointestinal associated disorders (EGIDs) are chronic inflammatory disorders that result from an abnormally high number of eosinophils in the digestive system. Treatments for EGIDs include corticosteroids and dietary therapies. A patient treated with a restrictive diet may require an amino acid-based elemental formula to provide necessary nutrients.

In December 2013 the Department of Health (Department) completed a sunrise review of legislation that would have required coverage of formulas necessary for the treatment of EGIDs, regardless of delivery method. The Department recommended adding a mandate to require coverage of elemental formulas to treat EGIDs, finding that the proposal was in the best interest of the public and that the benefits outweighed the costs.

Mandated Benefits under the Patient Protection and Affordable Care Act. The federal Patient Protection and Affordable Care Act as amended by the Health Care and Education Reconciliation Act of 2010 (ACA) requires most small group and individual health plans to offer a package of benefits known as the "essential health benefits." A state must defray the costs to consumers for state-mandated benefits that are not included in the state's essential health benefits package.

To determine the essential health benefits, federal law allows a state to choose a "benchmark" plan from a list of options and to supplement that plan to ensure it covers all of the essential health benefit categories specified in the ACA. Washington has chosen the largest small group plan in the state as its benchmark, which means most of the state's existing benefit mandates are included in the state's essential health benefit package. The state may not change its benchmark until at least 2016, when the federal government will revisit its approach for designating the essential health benefits.

State law requires the Insurance Commissioner to submit to the Legislature a list of state-mandated health benefits that, if enforced, would result in federally imposed costs to the state. The list must include the anticipated costs to the state of each benefit on the list. The Insurance Commissioner may enforce a benefit on the list only if funds are appropriated by the Legislature for that purpose.

Summary: Health plans (including plans offered to public employees and their dependents) that are issued or renewed after December 31, 2015, must offer benefits or coverage for medically necessary elemental formula, regardless of delivery method, when a licensed health care provider with prescriptive authority: (1) diagnoses a patient with eosinophilic gastrointestinal associated disorders; and (2) orders and supervises the use of the elemental formula.

A health benefit plan may require prior authorization or impose other appropriate utilization controls in approving coverage for medically necessary elemental formula.

Votes on Final Passage:

House	85	11
Senate	49	0

Effective: June 12, 2014

ESHB 2155
C 63 L 14

Preventing theft of alcoholic spirits from licensed retailers.

By House Committee on Government Accountability & Oversight (originally sponsored by Representatives Dahlquist, Hurst, S. Hunt, Morrell and Moscoso).

House Committee on Government Accountability & Oversight
Senate Committee on Commerce & Labor

Background: Marketing of Spirits Prior to the Passage of Initiative 1183. Initiative Measure 1183 (I-1183), passed by the voters in November 2011, transferred the responsibility for distribution and sale of spirits (i.e., hard liquor) to the private sector. Prior to the passage and implementation of I-1183, the distribution and sale of spirits was handled exclusively by the state through a network of small stores that were either state owned or created by contracts with private sector store owners. As of November 2011, there were a total of 330 state and contract liquor stores licensed in Washington state.

Marketing of Spirits Following the Passage of Initiative 1183. The passage of I-1183 resulted in significant changes to both the liquor industry itself and the marketing of spirits to the public. The number and physical size of licensed spirits retailers increased, as did the total volume of spirits being offered for sale to, and purchased by, the public. While spirits were previously sold through a relatively small number of local retail shops, the passage of the initiative created a spirits market that includes large numbers of retail stores with square footage of at least 10,000 square feet of fully enclosed space. Since the implementation of I-1183 in 2012, the LCB has licensed 1,150 of these large retail spirits stores, as well as 264 smaller stores that were formally state-owned or licensed under contract. Accordingly, whereas in 2011 this state had a total of approximately 330 spirits retailers operating as small businesses, it now has a total of approximately 1,414 licensed spirits retailers that are predominantly large businesses, primarily grocery stores.

Summary: The LCB and law enforcement agencies are authorized to regulate spirits retail licensees (licensees) for the purpose of reducing the theft of spirits from the premises of such licensees.

A law enforcement agency (agency) may make initial contact and consult with a licensee if the agency obtains information indicating that the licensee is experiencing an unacceptable rate of spirits theft. If the agency voluntarily opts to initiate and participate in this investigative and consultative process, the agency must complete the process before it notifies the LCB of the alleged theft problem. The LCB may not become involved in the investigative process until such time as the agency has had an opportunity to consult with the licensee and endeavor to resolve the theft issue.

"Unacceptable rate of spirits theft" is defined as two or more thefts of spirits from a licensee within a six-month period and that result in a minor unlawfully using or gaining possession of spirits, or that involves, or results in, adults unlawfully providing spirits to minors, and where such thefts result in an incident report being generated by a law enforcement agency.

The LCB may impose one or more of the following remedial requirements upon licensees who are experiencing unacceptable rates of spirits theft:

- participation in consultations with the LCB and the pertinent law enforcement agencies;
- implementation of recordkeeping systems designed to reveal and track spirits theft issues;
- structural modification or relocation of areas where spirits are displayed or stored;
- installation of adequate store security systems; and
- employment of sufficient numbers of trained staff to adequately monitor theft-prone areas.

The LCB may not impose these theft reduction measures upon a licensee unless the following procedural requirements are met:

- Following a complaint by a law enforcement agency to the LCB that a licensee is experiencing an unacceptable rate of spirits theft, the LCB must notify the licensee of the alleged theft problem.
- The LCB may demand that the licensee participate in a theft reduction consultation process involving the licensee, the LCB, and the pertinent law enforcement agency.
- During the consultation process, the LCB or the law enforcement agency must provide the licensee with any evidence or information pertinent to the theft allegations being made by the law enforcement agency.
- The consultation process must provide the licensee with a reasonable opportunity to respond to the theft allegations and to present evidence.
- If, at the conclusion of the consultation process, the LCB finds that the licensee has an unacceptably high rate of spirits theft, then the LCB may implement a "remedial action plan" outlining the remedial measures that must be taken by the licensee.
- In designing the remedial action plan, the LCB must strive to obtain the voluntary agreement of the licensee regarding the elements of the plan. However, if the licensee is uncooperative, the LCB is authorized to develop and enforce the plan.
- Following the implementation of the plan, the LCB must schedule one or more follow-up consultations with the licensee in order to monitor the licensees

performance. After the follow-up consultations, the LCB may revise the plan as necessary.
- If the LCB finds the licensee to be non-compliant with the plan, it may either demand that the licensee take additional remedial action or, if the LCB finds the licensee's noncompliance to be willful, it may suspend the licensee's retail spirits license.
- Consistent noncompliance with the remedial action plan for a period of a least nine months can result in the either license suspension or revocation.

The LCB may adopt rules necessary to implement and enforce the provisions of the act.

Votes on Final Passage:

House	93	4
Senate	49	0

Effective: June 12, 2014

ESHB 2160

C 116 L 14

Allowing physical therapists to perform spinal manipulation.

By House Committee on Health Care & Wellness (originally sponsored by Representatives Jinkins, Pollet, Appleton, S. Hunt, Buys, Haler, Warnick, Pettigrew, Manweller, Goodman, Clibborn, Santos, Harris and Kagi).

House Committee on Health Care & Wellness
Senate Committee on Health Care

Background: Physical Therapists. Licensed physical therapists may perform a variety of services, including:
- examining, evaluating, and testing individuals with mechanical, physiological, and developmental impairments, functional limitations in movement, and disability or other health and movement-related conditions;
- alleviating impairments and functional limitations in movement;
- performing wound care services;
- reducing the risk of injury, impairment, functional limitation, and disability related to movement; and
- engaging in administration, consultation, education, and research.

To be licensed as a physical therapist, an applicant must:
- have a baccalaureate degree in physical therapy from an institution of higher education or a baccalaureate degree from an institution of higher education and a certificate or advanced degree from an approved school of physical therapy;
- be of good moral character; and
- pass an examination.

A licensed physical therapist may not use spinal manipulation or manipulative mobilization of the spine and its immediate articulations. A physical therapist may not advertise that he or she performs spinal manipulation or manipulative mobilization of the spine.

Chiropractors. Chiropractic is a health care practice involving the diagnosis, analysis, care, and treatment of the vertebral subluxation complex and its effects, articular dysfunction, and musculoskeletal disorders, all for the restoration and maintenance of health and recognizing the recuperative powers of the body. To be licensed as a chiropractor, an applicant must:
- graduate from an accredited chiropractic college;
- show satisfactory evidence of a resident course of study of at least 4,000 hours of instruction;
- be of good moral character; and
- pass an examination.

Summary: A physical therapist may perform spinal manipulation, which includes spinal manipulative therapy, high velocity thrust maneuvers, and grade five mobilization of the spine and its immediate articulations only after being issued a spinal manipulation endorsement. The Secretary of Health must issue a spinal manipulation endorsement to a physical therapist with at least one year of full-time (at least 36 hours a week), post-graduate, orthopedic practice experience that consists of direct patient care who completes the following additional requirements:
- 100 hours of training in differential diagnosis;
- 250 hours of didactic and practical training related to the delivery of spinal manipulative procedures;
- 150 hours of training in spinal diagnostic imaging; and
- 300 hours of supervised clinical practical experience in spinal manipulative procedures, which must be:
  - supervised by a clinical supervisor who is: (1) a physical therapist authorized to perform spinal manipulation; (2) a licensed chiropractor; (3) a licensed osteopathic physician and surgeon; or (4) a person who holds an endorsement or advanced certification, the training requirements for which are commensurate with the training requirements for physical therapists authorized to perform spinal manipulation (the ability of this last type of person to supervise a physical therapist expires on July 1, 2020);
  - under the close supervision (the supervisor has personally diagnosed the condition to be treated, has personally authorized the procedures to be performed, and is physically present in the operatory) of the clinical supervisor for at least the first 150 hours of the clinical practical experience, after which the supervised clinical experience must be under direct supervision (the supervisor is continually on-site and present in the facility, is

immediately available to assist the person being supervised, and maintains continued involvement in appropriate aspects of each treatment session); and
- completed within 18 months of completing the educational requirements, unless the educational requirements were completed prior to July 1, 2015, in which case the supervised clinical practical experience must be completed by January 1, 2017.

A physical therapist authorized to perform spinal manipulation must consult with another health care practitioner authorized to perform spinal manipulation if spinal manipulative procedures are required beyond six treatments. A physical therapist authorized to perform spinal manipulation may not:
- have a practice in which spinal manipulation constitutes the majority of the services provided;
- practice or utilize any form of chiropractic manipulative therapy in any form;
- delegate spinal manipulation;
- advertise that he or she performs chiropractic adjustment, spinal adjustment, maintenance or wellness manipulation, or chiropractic care of any kind; or
- bill a health carrier for spinal manipulation separately, or in addition to, other physical therapy procedures.

A physical therapist authorized to perform spinal manipulation must complete at least 10 hours continuing education directly related to spinal manipulation per reporting period. At least five hours of the training must be related to procedural technique and application of spinal manipulation.

If a physical therapist intends to perform spinal manipulation on a patient the physical therapist knows is being treated by a chiropractor, the physical therapist must make reasonable efforts to coordinate patient care with the chiropractor in order to avoid conflict or duplication of services.

By November 15, 2019, the Board of Physical Therapy must report to the Legislature any disciplinary actions taken against physical therapists whose performance of spinal manipulation resulted in physical harm to a patient. Prior to finalizing the report, the Board of Physical Therapy must consult with the Chiropractic Quality Assurance Commission.

Votes on Final Passage:

House	92	6
Senate	49	0

Effective: July 1, 2015
July 1, 2020 (Section 2)

2SHB 2163
C 64 L 14

Establishing dextromethorphan provisions.

By House Committee on Appropriations Subcommittee on General Government & Information Technology (originally sponsored by Representatives Harris, Haler and Morrell).

House Committee on Public Safety
House Committee on Appropriations Subcommittee on General Government & Information Technology
Senate Committee on Health Care

Background: Dextromethorphan (DXM or DM) is an antitussive (cough suppressant) drug. The primary use of dextromethorphan is as a cough suppressant, for the temporary relief of a cough caused by minor throat and bronchial irritation (such as that which commonly accompanies the flu and common cold), as well as an irritation resulting from inhaled particle irritants. It is one of the active ingredients in many over-the-counter (OTC) cold and cough medicines, including generic labels and store brands.

Dextromethorphan is a synthetically produced substance that is chemically related to codeine, though it is not an opiate. It is an ingredient in more than 140 OTC cough and cold remedies since the 1950s, and has gradually replaced codeine as the most widely used cough suppressant in the United States. Dextromethorphan also has other uses in medicine, ranging from pain relief to psychological applications. It is sold in syrup, spray, capsule, liquid, liquid gelatin capsule, lozenge, and tablet forms. It also is available in powdered form on the Internet—typically for sale to laboratories conducting research on DM. In its pure form DM occurs as a white powder.

When ingested at recommended dosage levels, DM is generally safe and is known as a highly effective cough suppressant; however, when ingested in larger amounts, DM produces negative physiological effects. Reports of DM abuse have resulted in monitoring by the Drug Enforcement Administration.

Slang terms for DM include: DM, robo, rojo, and velvet. Slang terms for DXM intoxication include: robo tripping, skittling, and dexing.

On January 29, 2014, federal legislation was introduced in the U.S. House of Representatives to address issues relating to the sale of DM products to minors. In that legislation, which is not yet enacted, Congress is considering provisions to allow the purchase of DM by individuals under age 18 who possess military IDs, are emancipated minors, or have a valid prescription.

In 2003 legislation was introduced in Texas and North Dakota to prohibit the sale of DM to minors. The proposed legislation was not enacted in either state. However, five other states have enacted legislation to ban or limit the sale of DM products to minors. In 2011 California became the first state to prohibit the sale of OTC cough medicines

containing the active ingredient DM to minors. Minnesota, New York, and Pennsylvania have since enacted measures to regulate DM products to minors and making it an infraction with penalties ranging from $250 to $500. Some retail stores including Rite Aid and Wal-Mart chains currently have polices that require identification for purchase of medications containing DM.

Summary: New crimes and penalties are created for receiving, possessing, and distributing DM products. A retailer selling a finished drug product containing any quantity of DM must require and obtain proof of age from the purchaser before completing the sale, unless it can reasonably be presumed that the purchaser is 25 years of age or older.

A person under the age of 18 may purchase a DM product if he or she: (1) is actively enrolled in the military and presents a valid identification at the time of the sale; or (2) is an emancipated minor. In all other cases, it is illegal for:

- any manufacturer, distributor, or retailer whose employee or representative during the course of the employee's or representative's employment or association with that entity, to knowingly or willfully sell or trade any quantity of a finished DM product to a minor under the age of 18 years old;
- any employee or representative of a commercial entity, during the course of his or her employment or association with the employer, to sell or trade any quantity of a finished DM product to a minor under the age of 18 years old; or
- a minor under the age of 18 years old to purchase a finished drug product containing any quantity of DM.

Law enforcement must issue a written warning for the first violation of the act. Except in an instance where a manufacturer, distributor, or retailer can demonstrate a good faith effort to comply with the law, any second or subsequent violation of the act is a class 1 civil infraction punishable by a maximum fine of $250.

The trade association representing manufacturers of DM products must: (1) supply retailers and the Pharmacy Quality Assurance Commission with a list of all products that contain DM, which must be updated annually; and (2) must make reasonable efforts to communicate the requirements of the act.

Nothing in the act is to be construed to impose any compliance requirement on any retailer other than manually obtaining and verifying proof of age as a condition of sale, including placement of products within a store, other restrictions on consumers' direct access to finished drug products, or the maintenance of transaction records. Medication containing DM that is sold pursuant to a valid prescription is exempt from the act. Any ordinance regulating the sale, distribution, receipt, or possession of DM enacted by a county, city, town, or other political subdivision of Washington is preempted, and DM is not subject to further regulation by such subdivisions.

"Finished drug product" means a drug legally marketed under the Federal Food, Drug, and Cosmetic Act, that is in finished dosage form.

"Proof of age" means any document issued by a governmental agency that contains a description or photograph of the person and gives the person's date of birth, including a passport, military identification card, or driver's license.

Votes on Final Passage:

House	91	7	
Senate	49	0	(Senate amended)
House	86	12	

Effective: July 1, 2015

ESHB 2164

C 117 L 14

Requiring evidence-based and research-based interventions for juvenile firearm offenders in certain circumstances.

By House Committee on Judiciary (originally sponsored by Representatives Orwall, Appleton, Carlyle and Ryu).

House Committee on Judiciary
Senate Committee on Human Services & Corrections

Background: Unlawful Possession of a Firearm. A person is guilty of Unlawful Possession of a Firearm in the first degree if the person owns, possesses, or has in his or her control any firearm after having previously been convicted of a serious offense. A "serious offense" includes, among other things, any crime of violence, various class B felonies, any felony with a deadly weapon verdict, and certain vehicular related crimes when committed while under the influence of alcohol or drugs or while driving recklessly. A person is guilty of Unlawful Possession of a Firearm in the second degree if the person owns, possesses, or has in his or her control any firearm and the person:

- has previously been convicted of any felony (other than a serious offense);
- has previously been convicted of certain gross misdemeanors committed by one family or household member against another;
- has previously been involuntarily committed for mental health treatment;
- is under the age of 18 (with some exceptions); or
- is free on bond or personal recognizance pending trial, appeal, or sentencing for a serious offense.

Under the Juvenile Justice Act, Unlawful Possession of a Firearm in the first degree carries a standard range disposition of local sanctions for the first or second offense. Local sanctions include one or more of the following: zero to 30 days of confinement; zero to 12 months of commu-

nity supervision; zero to 150 hours of community restitution; or a $0 to $500 fine. If the juvenile has two or more prior adjudications, the juvenile is subject to confinement in a Juvenile Rehabilitation Administration (JRA) facility.

Unlawful Possession of a Firearm in the second degree carries a standard range disposition of local sanctions, with a presumptive minimum of 10 days of confinement if the violation is based on possession of a firearm as a person under 18 years old. If the juvenile has four or more prior adjudications, he or she is subject to a term of JRA confinement.

Deferred Disposition. Under a deferred disposition, a juvenile offender is found guilty and must complete certain conditions set out by the court, including probation and payment of restitution, in exchange for having his or her case dismissed. A juvenile offender is eligible for a deferred disposition unless he or she is charged with a sex or violent offense, has a criminal history including any felony, has a prior deferred disposition or deferred adjudication, or has two or more prior adjudications.

Juvenile Parole. Following release from JRA custody, a juvenile offender may be required to comply with a program of parole administered by the Department of Social and Health Services (Department) in his or her community. Conditions of parole are specified by the Department, and may include participation in treatment services, reporting, pursuit of a course of study or employment, and remaining within specific geographic boundaries, among other conditions. The decision to place an offender on parole must be based on the Department's assessment of the offender's risk for re-offense upon release, with priority for parole resources given to offenders at moderate to high risk of re-offense.

Evidence-Based and Research-Based Programs. The Washington State Institute for Public Policy (WSIPP) has undertaken comprehensive reviews of evidence-based policy strategies in various issue areas. Evidence-based practices are generally defined as programs or policies that are supported by a rigorous outcome evaluation clearly demonstrating effectiveness. A research-based practice has some research demonstrating effectiveness, but does not yet meet the standard of an evidence-based practice.

The WSIPP maintains and periodically updates a list of current findings for a variety of programs, including a cost analysis that examines whether the benefits from a given program exceed its costs. Several programs that are active in Washington have been evaluated and identified as cost-beneficial by the WSIPP, including Aggression Replacement Training (ART) and Functional Family Therapy (FFT).

Aggression Replacement Training. Aggression Replacement Training is a 10-week intervention administered to groups of youth three times per week that is designed to help the youth develop anger-control skills, employ more appropriate behaviors, and correct anti-social thinking. A juvenile offender is generally eligible for ART if it is determined, based on the results of the formal assessment tool administered by the juvenile courts, that the offender has a moderate to high risk for re-offense and is aggressive or has social skills or attitudes and beliefs that lead to anti-social behavior.

Functional Family Therapy. Functional Family Therapy is a structured, home-based family intervention involving 12 weekly visits. Functional Family Therapy uses a multi-step approach to enhance protective factors (that reduce likelihood of participation in criminal activities) and reduce risk factors (that increase likelihood of participation in criminal activities) in the family. A juvenile offender is generally eligible for FFT if the formal assessment tool indicates a moderate to high risk for re-offense and significant family problems.

Summary: A juvenile court disposition or deferred disposition for Unlawful Possession of a Firearm must include a requirement that the juvenile participate in a qualifying evidence-based or research-based program, where available, except upon a written finding by the court that participation in a program would be inappropriate. The court's finding that program participation would be inappropriate must be based on the outcome of the juvenile's formal risk assessment.

The description of "qualifying program" includes: (1) ART; (2) FFT; or (3) any program applicable to the juvenile firearm offender population that has been identified in the current list compiled by the WSIPP as evidence-based or research-based and cost-beneficial.

A juvenile adjudicated of Unlawful Possession of a Firearm, Possession of a Stolen Firearm, Theft of a Firearm, or Drive-by Shooting and sentenced to JRA confinement may participate in ART, FFT, or Functional Family Parole aftercare following release if the juvenile meets eligibility requirements for these services. When assessing offenders for placement in evidence-based parole programs, the assessment must examine the ongoing treatment needs of the juvenile, in addition to the risk for re-offense.

The JRA must compile and analyze historical data regarding persons who made initial contact with the criminal justice system between 2005 and 2013, and were found to have committed a juvenile offense of Unlawful Possession of a Firearm. In particular, the JRA must examine data regarding offenders' previous and subsequent criminal history, interventions provided to offenders, and known gang association of offenders. The Department of Corrections and the Caseload Forecast Council must provide the JRA with any information necessary to complete the analysis, which may include individual identifier level data. The JRA must report its findings to the Legislature by October 1, 2014.

The Caseload Forecast Council may permit access to caseload forecast data for research purposes only if the anonymity of all persons mentioned in the records or information will be preserved.

Votes on Final Passage:

House	98	0	
Senate	44	5	(Senate amended)
House	77	19	(House concurred)

Effective: June 12, 2014

HB 2167
PARTIAL VETO
C 191 L 14

Changing the date by which challenged schools are identified.

By Representatives Lytton, Haigh, Magendanz, Kagi, Dahlquist and Carlyle; by request of Superintendent of Public Instruction.

House Committee on Education
Senate Committee on Early Learning & K-12 Education

Background: In 2013 legislation was enacted that required the Office of the Superintendent of Public Instruction (OSPI) to annually identify challenged schools in need of improvement and those schools that are the persistently lowest-achieving. Among other things, the OSPI's criteria must take into account the proficiency of all students and subgroups of students on state assessments and high school graduation rates.

The OSPI was required to make its first report by December 1, 2013. Graduation results are not available until the first week of December each year.

Summary: The due date for the OSPI to identify challenged schools in need of improvement and the subset of such schools that are persistently the lowest-achieving is changed to February 1, 2014, rather than December 1, 2013.

The annual due date for such report is changed to each February, rather than each December.

Votes on Final Passage:

House	98	0
Senate	47	0

Effective: June 12, 2014

Partial Veto Summary: Vetoes the emergency clause that makes the act effective immediately.

VETO MESSAGE ON HB 2167

April 02, 2014

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

Ladies and Gentlemen:

I am returning herewith, without my approval as to Section 2, House Bill No. 2167 entitled:

"AN ACT Relating to changing the date by which challenged schools are identified."

This legislation changes the date by which OSPI is required to identify challenged schools in need of improvement and schools that are persistently lowest-achieving in the state.

Section 2 is an emergency clause section that will make this act effective immediately. The due dates in this legislation have come to pass and the emergency clause is therefore not necessary to implement the substantive provisions of the bill.

For these reasons I have vetoed Section 2 of House Bill No. 2167.

With the exception of Section 2, House Bill No. 2167 is approved.

Respectfully submitted,

Jay Inslee
Governor

SHB 2171
C 65 L 14

Strengthening economic protections for veterans and military personnel.

By House Committee on Judiciary (originally sponsored by Representatives Orwall, Johnson, Tarleton, Ross, Nealey, Hayes, Sullivan, Farrell, Kirby, Hansen, Chandler, Green, Shea, Moscoso, Parker, Smith, Magendanz, Klippert, Rodne, Pollet, Seaquist, Appleton, Carlyle, Stanford, Buys, Morrell, Goodman, Liias, Haigh, Short, Fagan, Bergquist, Fey, Riccelli and Ryu; by request of Governor Inslee and Attorney General).

House Committee on Judiciary
House Committee on Appropriations Subcommittee on General Government & Information Technology
Senate Committee on Law & Justice

Background: The Washington Service Members' Civil Relief Act (WSCRA) was enacted in 2005. The WSCRA contains certain rights for service members and their dependents whose financial and legal obligations may be impacted by active military duty. The main provisions of the WSCRA provide rights to a service member and dependents with respect to default judgments and stays in civil proceedings. The WSCRA also contains provisions restricting contract fines and penalties, restructuring interest rates on certain business loans, and tolling statutes of limitations during military service periods.

The WSCRA applies to Washington residents who are members of the National Guard or a military reserve component and who are under a call to active service for a period of more than 30 days. The WSCRA also applies to certain dependents of covered service members.

The WSCRA was modeled on the portions of the federal Servicemembers Civil Relief Act (SCRA) relating to default judgments and stays of civil proceedings. The SCRA contains a number of other rights for service members, including reducing interest rate obligations on preservice loans to 6 percent, and protecting service members from evictions and property foreclosures, cancellation of life insurance, and losing certain rights to public land.

The SCRA was amended in the Veterans' Benefits Act of 2010 (VBA) to include an enforcement mechanism through either a private right of action or an action by the United States Attorney General. Under the VBA amendments, a person covered by the SCRA may bring a private civil action for a violation of the SCRA, and remedies may include equitable or declaratory relief, damages, and costs and reasonable attorneys' fees. In addition, the United States Attorney General may bring an action to enforce the SCRA against a person who engages in a pattern or practice of violating the SCRA or engages in a violation that raises an issue of significant public importance. Remedies may include equitable or declaratory relief, damages, and civil penalties of up to $55,000 for a first violation and up to $110,000 for subsequent violations.

Summary: The WSCRA is amended to provide that the federal SCRA applies in proper cases in all Washington courts, and a violation of the SCRA is a violation of the WSCRA.

A service member or dependent may bring a civil action for a violation of the WSCRA to obtain equitable or declaratory relief, monetary damages, and other appropriate relief. In addition, the court may award the costs of the action and reasonable attorneys' fees to a service member or dependent who prevails in the action.

The Washington Attorney General may bring a civil action to enforce the WSCRA against a person that engages in a pattern or practice of violations or engages in a violation that raises an issue of significant public purpose. The court may grant equitable or declaratory relief, monetary damages, and other appropriate relief. In addition, the court may assess a civil penalty of up to $55,000 for a first violation and up to $110,000 for subsequent violations.

The Washington Attorney General may issue civil investigative demands, prior to commencing a civil action, for the discovery of material information relevant to an investigation of a violation of the WSCRA. Standards are provided for the required contents of a demand; how the demand must be served; the process for production of documents and information; the confidentiality of disclosed documents or information; and court action for contesting, modifying, or enforcing a demand.

A reference to the federal Soldiers' and Sailors' Civil Relief Act of 1940 in state law regarding employment and reemployment rights of persons serving in the uniformed services is revised to instead reference the federal Uniformed Services Employment and Reemployment Rights Act (USERRA). The USERRA is declared to apply in proper cases in all Washington courts.

Votes on Final Passage:

House	97	0
Senate	47	0

Effective: June 12, 2014

SHB 2175

C 118 L 14

Removing barriers to economic development in the telecommunications industry.

By House Committee on Technology & Economic Development (originally sponsored by Representatives Morris, Morrell and Stanford).

House Committee on Technology & Economic Development

Senate Committee on Energy, Environment & Telecommunications

Background: Siting of Personal Wireless Services Facilities. In 1996 the Legislature categorically exempted from State Environmental Policy Act (SEPA) review the siting, in areas not designated as environmentally sensitive, of certain antenna facilities defined as "microcells" and "minor facilities." In addition, the Legislature encouraged local governments to allow the filing of a single set of SEPA and land use documents for the siting of these antenna facilities in a single geographic area.

In 2013 the Legislature replaced the categorical SEPA exemption for microcells with an exemption for the collocation, removal, or replacement of wireless service facilities that do not: (1) increase the height of the structure by the greater of 10 percent or 20 feet; or (2) add a component to the structure that protrudes more than 20 feet, or more than the width of the structure at the level it is placed.

Authority to Impose Site-Specific Charges. The authority of cities and towns to require personal wireless services providers to pay franchise fees or other fees or charges for the use of the right-of-way is limited. Municipalities may generally impose a site-specific charge, pursuant to an agreement with a personal wireless services provider, for the following: (1) placement of new structures in the right-of-way; (2) placement of personal wireless facilities on structures owned by the municipality; and (3) placement of replacement structures when the replacement is necessary for attachment or installation of wireless facilities and the overall height of the replacement structure and the wireless facility is more than 60 feet. A personal wireless service company may seek binding arbitration if a municipality and the company cannot agree on site-specific charges.

Federal Laws and Rulemaking Concerning Siting of Wireless Communication Facilities. In the Federal Telecommunications Act of 1996 Congress directed the Federal Communications Commission (FCC) to encourage the deployment of telecommunications facilities by working to remove barriers to infrastructure investment in a manner consistent with the public interest, convenience, and necessity. In 2012 an amendment required state and local governments to approve requests for the modification of an existing wireless tower or base station for certain facilities if the modification does not substantially change the physical dimensions of the tower or base. In September

2013 the FCC issued a notice of proposed rule-making designed to promote the rapid deployment of wireless facilities and services generally and particularly "small cell" networks and distributed antenna systems that expand capacity and wireless coverage in a local area through a series of small, low-mounted antennas.

Summary: Requiring Single Permits for Small Cell Networks. Local governments may allow a provider of a small cell network to file a consolidated application and receive a single permit for the interrelated facilities that comprise the network within a jurisdiction, instead of filing separate applications for each individual small cell facility. Relevant terms are defined as follows:

- "Small cell network" means a collection of interrelated small cell facilities designed to deliver personal wireless services.
- "Small cell facility" means a wireless service facility that meets both of the following elements: (1) each antenna is located inside an antenna enclosure of no more than 3 cubic feet in volume or, in the case of an antenna that has exposed elements, the antenna and all of its exposed elements could fit within an imaginary enclosure of no more than 3 cubic feet; and (2) primary equipment enclosures are no larger than 17 cubic feet in volume; however, the following associated equipment may be located outside the primary equipment enclosure and are not included in the calculation of equipment volume: electric meter, concealment, telecom demarcation box, ground-based enclosures, battery back-up power systems, grounding equipment, power transfer switch, and cut-off switch.
- "Personal wireless services" means commercial mobile services, unlicensed wireless services, and common carrier wireless exchange access services, as defined by federal laws and regulations.

Modifying Municipal Authority to Impose Site-Specific Charges for the Use of the Right-of-Way. The authority of cities and towns to require personal wireless service providers to pay a site-specific charge for use of the right-of-way is modified. In addition to the previous limitations, a site-specific charge for placement in the right-of-way of replacement structures with an overall height greater than 60 feet is now only authorized when the replacement structure is also higher than the structure that is being replaced.

Votes on Final Passage:

House	96	0	
Senate	34	15	(Senate amended)
House			(House refused to concur)
Senate			(Senate receded)
Senate	47	2	(Senate amended)
House	95	3	(House concurred)

Effective: June 12, 2014

ESHB 2191
C 9 L 14

Concerning compliance with inspections of child care facilities.

By House Committee on Early Learning & Human Services (originally sponsored by Representatives Scott, Shea, Taylor, Short and Overstreet).

House Committee on Early Learning & Human Services
Senate Committee on Human Services & Corrections

Background: The Department of Early Learning (DEL) licenses child care family homes and child care centers. Licensing activities include trainings, including first aid and CPR training, criminal background checks, and health and safety checks.

Family home child care providers offer care in the home where they live. Family home providers can care for up to 12 children through age 12. Prior to becoming licensed, a family home provider must obtain a business license, comply with locally established city ordinances, and make a request to the local fire department to seek assistance in planning evacuations and emergency procedures. If the local fire department does not provide this service, the child care family home licensee must provide documentation that the request was made. Family home providers receive licensing monitoring visits every 18 months. Only areas of the home that are used for child care are licensed. Areas of the home that are not used for the purpose of child care are considered unlicensed and are not subject to licensing inspections. Family home providers, however, are asked to declare that they are in compliance with the DEL requirements for furnaces, guns and weapons, smoke detectors, and medication storage in all unlicensed spaces.

Child care centers offer care in commercial, privately owned, school, or faith-based spaces. Child care center providers serve ages one month through 12 years of age. Prior to becoming licensed, a child care center must obtain a Certificate of Occupancy through the city or county building department, register the business, and receive a certificate of compliance from the director of fire protection. Child care centers receive licensing monitoring visits annually.

Summary: Before requiring any alterations to a child care facility due to building code inconsistencies, the DEL is required to consult with a city or county enforcement official and receive written verification from the enforcement official that the alteration is required. Additionally, the DEL's consultation is limited to licensed child care space. While the DEL is waiting for consultation or to receive written notification, the DEL may not modify, suspend, or revoke a child care facility's child care license or business activities unless there is imminent danger to children or staff. "Child care facility" is defined to mean a family day care home, school-ages care, and child day care center.

Votes on Final Passage:

House	98	0
Senate	49	0

Effective: June 12, 2014

E2SHB 2192

C 68 L 14

Promoting economic development through enhancing transparency and predictability of state agency permitting and review processes.

By House Committee on Appropriations (originally sponsored by Representatives Smith, Hansen, Haler, Buys, Hayes, Parker, Short, Seaquist, Pike, Scott, Zeiger, Hargrove, Manweller, Holy, Magendanz, Vick and Wilcox).

House Committee on Government Operations & Elections
House Committee on Appropriations
Senate Committee on Trade & Economic Development

Background: Regulatory Process Programs. Several programs have been established, through legislation and executive order, relating to the state regulatory process:

- Executive Order 06-02 directed the development of a one-stop business portal, to offer a single, secure, online portal that would make licensing, permitting, regulatory approvals or filings, and tax collection easier for business. The portal contains services and resources related to doing business in Washington.
- The Legislature created the Office of Regulatory Assistance (ORA) in 2002 to address potential conflict, overlap, and duplication in Washington's environmental permits. The ORA's functions regarding permits and licenses fall into three areas: supplying information, providing assistance and coordination, and improving regulatory processes.
- Executive Order 10-05 directed the Department of Commerce, working with the ORA and key state agencies that regulate business, to consolidate the variety of small business licensing, registration, and certification guides into one integrated online resource available across all state agencies.

Performance Audits of Regulatory Processes. In 2012 the State Auditor completed an audit of state regulatory practices. The audit addressed two questions:

- Do Washington government websites effectively provide regulatory information to businesses?
- Do Washington regulatory agencies have processes in place to streamline their business rules consistent with executive orders?

Regarding website access to business information, the audit found that the vision of a one-stop business portal has not yet been achieved. Regulatory information on regulatory agency websites is incomplete, not all sites are easy to use, and only 23 percent of permits and licenses provide online information about processing times.

Regarding rule streamlining, the audit found that agencies are streamlining some of their rules and some agencies' streamlining practices are in alignment with executive orders. The audit determined that three agencies could improve their streamlining practices for formalizing their review processes: (1) the Department of Ecology; (2) the Department of Health; and (3) the Department of Labor and Industries. None of these agencies measured the results of streamlining activity to determine whether rule revisions had the intended effect.

The audit recommended that all state regulatory agencies adopt streamlining processes that include:

- documentation of the review requirement and the process;
- review in regular intervals to ensure all business rules are evaluated to determine if streamlining is needed;
- specific criteria to evaluate the need, consistency, and clarity of existing rules; and
- measurement and tracing of results, before and after rules are streamlined.

In 2013 the State Auditor completed a performance audit on improving permit timeliness. The audit revealed that not all agencies:

- track permit processing times;
- tell businesses processing times;
- provide businesses sufficient up-front assistance; or
- use data to identify and correct process delays.

The audit recommendations included that agencies should:

- track and publish permit processing times;
- identify decision time targets;
- provide assistance to applicants early in the process;
- use performance data to identify and eliminate process bottlenecks; and
- share effective practices among agencies.

Summary: Each agency that issues permits indicated in the State Auditor's December 30, 2013, performance audit report is required to track and record the time it takes to make permitting decisions. At a minimum, the following performance data must be tracked and recorded:

- the time from initial submission of an application by an entity seeking a permit to the time the agency determines it is complete; and
- the time from the receipt of the complete application to the agency's decision to approve or deny the permit.

By March 1, 2016, and every even-numbered year thereafter until 2020, each agency must provide a report to the ORA with information on its performance data including application completion times and decision issuance times.

To provide meaningful customer service that informs project planning and decision making for citizens and businesses, the following information must be made available to permit applicants through a link from the agency's website to the ORA website:

- a list of the types of permit assistance available and how the assistance may be accessed;
- the estimated time for an agency to process permits and issue decisions based on the performance data collected; and
- tools that will help applicants successfully complete their applications, such as examples of completed applications, examples of approved applications, and checklists for ensuring a complete application.

To ensure that agencies can post the required information online with minimal expenditure of agency resources, the Office of the Chief Information Officer (OCIO), in consultation with the ORA, will establish a central repository for permit performance and assistance information, hosted on the ORA's website. The ORA will ensure the searchability of information posted on the central repository.

By September 2016, and each even-numbered year thereafter until 2020, the ORA must publish a comprehensive progress report on the performance of agencies in tracking permit timelines and other efforts to improve regulatory permitting. The report must:

- disclose the performance data for each agency for the previous year;
- provide an updated list of each agency's inventory of permits; and
- identify permits with most-improved and most-in-need-of improvement processing and decision times, based on the performance data.

The procedures implemented due to the requirements under the act are added to the integration efforts required by the Quality Management, Accountability, and Performance System.

Votes on Final Passage:

House	96	0
Senate	48	0

Effective: June 12, 2014

SHB 2195

C 10 L 14

Concerning involuntary medication for maintaining the level of restoration in jail.

By House Committee on Judiciary (originally sponsored by Representatives Morrell, Kochmar, Hurst, Green and Jinkins).

House Committee on Judiciary
Senate Committee on Human Services & Corrections

Background: A person is incompetent to stand trial in a criminal case if, due to a mental disease or defect, he or she lacks the capacity to understand the nature of the proceedings or is unable to assist in his or her own defense. A court may require a competency evaluation of a defendant whenever the issue of competency is raised, and a person who is incompetent may not be tried, convicted, or sentenced for a criminal offense as long as the incompetency continues.

If a person is deemed incompetent to stand trial, the court must stay the criminal proceedings and, if the case involves a felony charge or a nonfelony charge that is a serious offense, order the defendant to undergo a period of competency restoration. Restoration treatment typically takes place at a state hospital and involves administration of psychiatric medication and other treatment. If the defendant undergoes restoration, but cannot be restored to competency within the statutorily designated time period, the criminal case must be dismissed without prejudice. If the defendant's competency is restored, the criminal proceedings continue.

The United States Supreme Court has recognized that a person has a significant constitutionally protected liberty interest in avoiding the unwanted administration of psychiatric medication. However, in *Sell v. United States* the Court held that, under certain circumstances, a mentally ill defendant facing serious criminal charges may be involuntarily medicated in order to restore competency to stand trial. The *Sell* test requires a case-by-case inquiry that weighs the government's interest in prosecution against the individual's rights.

Certain offenses qualify as serious offenses for the purposes of ordering competency restoration, and, if the *Sell* test is satisfied, ordering involuntary medication during the restoration period. Serious offenses include violent and sex offenses, crimes against persons, firearms and dangerous weapons offenses, harassment and domestic violence offenses, class B felony drug offenses, and other offenses that meet certain statutory criteria.

Summary: Maintenance of the level of a defendant's restored competency in jail after the statutory competency restoration period has terminated is identified as a purpose for which a court order for involuntary medication may be entered. Additionally, it is specified that the right of a restored defendant to refuse medication in jail only applies in cases in which there is no court order in place authorizing involuntary medication.

Votes on Final Passage:

House	97	0
Senate	49	0

Effective: June 12, 2014

E2SHB 2207
PARTIAL VETO
C 155 L 14

Eliminating the reduction in state basic education funding that occurs in counties with federal forest lands.

By House Committee on Appropriations (originally sponsored by Representatives Haigh, Orcutt, Haler, Tharinger, Blake, Short, Van De Wege, Fagan, Magendanz and Buys).

House Committee on Appropriations Subcommittee on Education
House Committee on Appropriations

Background: Over 21 percent of all of Washington land is in national forests. These lands are exempt from local property tax. The federal government shares a portion of the revenues from the management of these lands with public schools, universities, community colleges, and state institutions. The majority of the revenues are derived from the harvest of timber. The amount of funds varies greatly from year to year, depending on the harvesting activities in the federal forestlands within the various counties. It is additionally dependent on the federal reauthorization of the distribution of the revenues.

The federal government pays 25 percent of revenues from federal forest lands to the state. Per federal statue, the state Legislature determines how these revenues are spent for benefit of public schools and roads in the affected counties. Per state statute, 50 percent of the revenues are distributed to counties for roads and the remaining 50 percent is allocated to school districts within those counties. For counties in which there is more than one school district, the funds are distributed in proportion to the number of full-time equivalent students in each respective district.

General apportionment is the primary means by which basic education funding is allocated to school districts. The basic education rate is the per pupil allocation provided to districts for a general education student and is the foundation of the general apportionment budget. State basic education funding to school districts in counties with federal forest lands is reduced by an amount equal to the federal forest revenue that the district receives. The total estimated federal forest revenue to be distributed to school districts in fiscal year 2014 is approximately $8.3 million.

Summary: The reduction of districts' basic education allocations that offsets the receipt of the federal forest fund revenues is partially eliminated. The Superintendent of Public Instruction may continue to offset general apportionment allocations with federal forest revenues only for districts with poverty that is less than 57 percent. For districts with poverty levels of at least 57 percent, the Superintendent of Public Instruction may offset only the portion of the general apportionment allocations that exceed $70,000.

Votes on Final Passage:

House	97	0
Senate	47	2

Effective: September 1, 2014

Partial Veto Summary: The partial veto removes section 1, correcting a technical drafting error. Section 1 of the bill prevents the offset of federal forest funding from occurring for high poverty districts.

VETO MESSAGE ON E2SHB 2207

March 31, 2014

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

Ladies and Gentlemen:

I am returning herewith, without my approval as to Section 1, Engrossed Second Substitute House Bill No. 2207 entitled:

"AN ACT Relating to eliminating the reduction in state basic education funding that occurs in counties with federal forest lands."

This legislation will allow high poverty school districts to retain up to $70,000 of their annual federal forest funding allocation rather than current practice of the offsetting the entire amount against state apportionment funding.

Section 1 prevents any offsetting of federal forest funding from occuring for high poverty districts. This is a technical error in direct conflict with the $70,000 annual limit established in Section 2 of this act.

For these reasons I have vetoed Section 1 of Engrossed Second Substitute House Bill No. 2207.

With the exception of Section 1, Engrossed Second Substitute House Bill No. 2207 is approved.

Respectfully submitted,

Jay Inslee
Governor

HB 2208
C 42 L 14

Concerning heavy civil construction projects.

By Representatives Haigh and Buys.

House Committee on Capital Budget
Senate Committee on Governmental Operations

Background: Capital Projects Advisory Review Board. In 2005 the Capital Projects Advisory Review Board (CPARB) was established to monitor and evaluate the use of traditional and alternative public works contracting procedures and evaluate potential future use of other alternative contracting procedures. The CPARB also provides a forum in which best practices and concerns about alternative public works contracting can be discussed.

The CPARB consists of 23 members, including four legislative members: two from the House of Representatives, appointed by the Speaker of the House, and two from the Senate, appointed by the President of the Senate.

Alternative Contracting Procedures. Alternative forms of public works were first used on a very limited ba-

sis and then adopted in statute in 1994 for certain pilot projects. These alternative procedures included a Design Build process and a General Contractor/Construction Manager (GC/CM) process which may be used on projects costing in excess of $10 million.

With some restrictions, the use of alternative public works contracting procedures are authorized to a limited number of public entities, including:

- the Department of General Administration;
- the University of Washington;
- Washington State University;
- cities with a population greater than 70,000 and any public authority chartered by such city;
- counties with a population greater than 450,000;
- public hospital districts with total revenues greater than $15 million;
- port districts with total revenues greater than $15 million per year;
- public utility districts with revenues from energy sales greater than $23 million per year;
- school districts for GC/CM projects; and
- the state ferry system.

The authorization to use alternative public works procedures expires June 30, 2021.

General Contractor/Construction Manager. The GC/CM method employs the services of a project management firm that bears significant responsibility and risk in the contracting process. The government agency contracts with an architectural and engineering firm to design the facility and, early in the project, also contracts with a GC/CM firm to assist in the design of the facility, manage the construction of the facility, act as the general contractor, and guarantee that the facility will be built within budget. When the plans and specifications for a project phase are complete, the GC/CM firm subcontracts with construction firms to construct that phase. Initial selection of GC/CM finalists is based on the qualifications and experience of the firm.

The GC/CM or its subsidiaries may bid or self perform on work, or for the supply of equipment or materials, under certain conditions, but is limited to no more than 30 percent of the total construction contract.

Summary: The percent that can be self performed by the GC/CM is increased from 30 percent to 50 percent for heavy civil construction projects.

Votes on Final Passage:

House	98	0
Senate	48	1

Effective: June 12, 2014

HB 2225
C 43 L 14

Concerning the Milwaukee Road corridor.

By Representatives Manweller, Senn, Magendanz, Fey, Tharinger, Fitzgibbon and Roberts; by request of Parks and Recreation Commission.

House Committee on Environment
Senate Committee on Natural Resources & Parks

Background: Milwaukee Road Corridor History. The Milwaukee Road corridor, also known as the Iron Horse State Park and John Wayne Pioneer Trail, is a 213-mile recreational trail stretching from the eastern outskirts of Seattle to the Idaho border. In 1981 Washington purchased the corridor from the Milwaukee Railroad Company and converted it to a recreational trail. The management authority over a section of the corridor referred to as the Iron Horse State Park, along with adjacent sidings used as camping and climbing areas, was transferred from the Department of Natural Resources to the State Parks and Recreation Commission (State Parks) in 1984.

Besides the Milwaukee Road corridor, State Parks manages four other Washington rails-to-trails. State Parks defines rail trails as nontraditional park lands due to the different attributes and management conditions. State Parks nontraditional park land management policy is to be more flexible in permitting nonrecreational uses, such as recognizing existing rights or allowing occasional motorized vehicle use, than in managing other state parks.

Milwaukee Road Corridor Management Provisions. State Parks has both mandatory and discretionary duties in managing the Milwaukee Road Corridor. State Parks must:

- close the corridor to hunting;
- exclude motorized vehicles except for emergency vehicles and those necessary for maintenance and utility lines;
- comply with the corridor's deed;
- control weeds;
- clean and maintain culverts; and
- identify opportunities and encourage volunteer work, private contributions, and support to maintain the recreational trail.

In addition, State Parks may do the following:

- enter into agreements to allow realignment or modification of public roads, farm crossings, water conveyance facilities, and other utility crossings;
- regulate and restrict uses;
- place hazard warning signs and close hazardous structures;
- renegotiate deed restrictions;

- approve and process the sale or exchange of lands or easements if it does not adversely affect the recreational purpose; and
- issue permits that regulate access to certain portions of the trail.

Summary: State Parks must manage the Milwaukee Road corridor in the same manner as the other recreational trails under its jurisdiction. The statutes establishing management requirements specific to the Milwaukee Road corridor are repealed.

Votes on Final Passage:

House	97	0
Senate	48	0

Effective: June 12, 2014

HB 2228

C 11 L 14

Providing parity of consumer protection procedures for all students attending licensed private vocational schools.

By Representatives Smith, Wylie, Seaquist, Ormsby, Haler, Moscoso, Johnson, Ryu and Pollet; by request of Workforce Training and Education Coordinating Board.

House Committee on Higher Education
Senate Committee on Higher Education

Background: The Workforce Training & Education Coordinating Board (Workforce Board) is responsible for licensing and regulating private vocational schools. The Workforce Board protects consumers against the unfair business practices of private vocational schools by:

- issuing licenses to schools meeting minimum standards;
- investigating schools involved in student complaints; and
- providing tuition reimbursement to students when schools close unexpectedly.

If a licensed private vocational school engages in a substantial number of unfair business practices or a significant unfair business practice, the Workforce Board may deny, revoke, or suspend the school's license. The Workforce Board will hear and investigate complaints by persons claiming loss of tuition or fees as a result of unfair business practices.

The Tuition Recovery Trust Fund (Trust Fund) was created for the benefit and protection of students of licensed private vocational schools for the purpose of settling claims related to school closures or unfair business practices. Claims of agencies or businesses that pay tuition and fees on behalf of Washington students may not be settled using the Trust Fund. The Trust Fund may be used to pay unearned prepaid tuition only. Students enrolled under a training contract are not eligible to make a claim against the Trust Fund.

When a school is closed, the Workforce Board must notify potential claimants. The agency is relieved of further duty or action on behalf of a claimant if the claimant does not file a claim within 30 days.

Summary: Current or former students of licensed private vocational schools affected by an unfair business practice are permitted to file complaints with the Workforce Board.

Agencies or businesses that pay tuition and fees on behalf of private vocational school students may be reimbursed from the Trust Fund beginning January 1, 2016. Only students who are Washington residents are eligible for reimbursements from the Trust Fund. The Workforce Board may allow students with unusual circumstances to make a claim against the Trust Fund after the 30-day requirement.

Students, or agencies or businesses that provided tuition on behalf of students, may be reimbursed the full value of tuition and fees paid to date from the Trust Fund when a school closes and the students provide evidence that they cannot continue their program of study at another institution. The Workforce Board may use the Trust Fund to pay for prior learning assessments for students who choose to attend another institution.

Enrollment contracts between students and licensed private vocational schools providing must include a brief statement that students may bring concerns or complaints to the Workforce Board.

Falsely representing the number of faculty is added to the list of unfair business practices that are not permitted.

Votes on Final Passage:

House	98	0
Senate	49	0

Effective: June 12, 2014

SHB 2229

C 69 L 14

Concerning long-term funding for a state tourism marketing program.

By House Committee on Community Development, Housing & Tribal Affairs (originally sponsored by Representatives Morris, Smith, Appleton, Haler, Moscoso, Tarleton, Roberts, Ryu, Habib and Bergquist).

House Committee on Community Development, Housing & Tribal Affairs
House Committee on Appropriations
Senate Committee on Trade & Economic Development

Background: The State Tourism Commission (Commission) was created in 2007 to direct the state tourism program administered through the Department of Commerce. The Commission was comprised of public and private industry representatives and was directed to promote and ex-

pand the state tourism industry. The Commission could raise funds and had its own account.

The Legislature terminated the State Tourism Program and the Commission at the end of the 2009-11 biennium. In the same year, the Washington Tourism Alliance (WTA) was formed to assume official state tourism marketing and promotion activities.

The WTA is a private nonprofit organization comprised of members of the state tourism industry. The WTA receives funding from its members. Among its activities, the WTA operates a state tourism website, publishes the Official State Tourism Guide, and holds an annual tourism summit.

Summary: By December 1, 2014, the WTA must submit a report to the Legislature that includes a proposal to privately fund a long-term state tourism marketing program. The report must include a mechanism for raising funds from the tourism industry as divided into separate sectors. It is stated that the WTA estimates that a state tourism marketing program will require an initial investment of $7.5 million, apportioned among each industry sector as follows:

- lodging: $2.4 million;
- food service: $2 million;
- attractions and entertainment: $975,000;
- retail: $1.425 million; and
- transportation: $600,000.

The report must propose the manner in which the amounts allocated to each sector will be collected and administered. The Legislature must direct the Departments of Revenue and Commerce, the Office of the State Treasurer, and the Office of the Secretary of State to assist the WTA in developing a fund collection method.

The proposal must include a governance structure that includes a board consisting primarily of members representing the five industry sectors and also including destination marketing organizations. Other optional members may include significant donors to state tourism marketing. Board membership must ensure geographic and business diversity. The WTA must make initial board appointments from nominations submitted by statewide trade associations representing each of the five industry sectors.

Votes on Final Passage:

House	88	8
Senate	47	0

Effective: June 12, 2014

ESHB 2246

C 119 L 14

Regarding financing for stewardship of mercury-containing lights.

By House Committee on Environment (originally sponsored by Representatives S. Hunt, Fitzgibbon, Hudgins, Morris, Ryu, Roberts, Bergquist, Goodman and Pollet).

House Committee on Environment
Senate Committee on Energy, Environment & Telecommunications
Senate Committee on Ways & Means

Background: In 2010 legislation was enacted that requires producers of mercury-containing lights to create a stewardship program responsible for the collection, recycling, and disposal of mercury-containing lights. Compact Fluorescent Lights, or CFLs, are among the types of lights that sometimes contain mercury. The program must operate pursuant to an independent plan, plans developed by producers, or a state-developed plan that contracts with a stewardship organization. Since January 1, 2013, mercury-containing light producers who do not participate in a stewardship plan approved by the Department of Ecology (DOE) have been prohibited from selling mercury-containing lights. The DOE is responsible for reviewing and approving producer-submitted plans, and, after a stewardship program is operational, for ensuring the program's compliance with the producer-submitted plan.

Components of Mercury-Containing Lights Product Stewardship Programs. Under Mercury-Containing Lights Product Stewardship Programs (stewardship programs), collection sites must be registered with the DOE and must be located in every city with a population greater than 10,000, with at least one location per county, regardless of a county's population. Manufacturers of mercury-containing lights identified by the DOE as out of compliance with plan participation or program operation requirements are prohibited from making sales in Washington. Likewise, retailers are forbidden to purchase and stock the products of noncompliant manufacturers.

As of January 1, 2013, users of mercury-containing lights may not dispose of mercury-containing lights through generalized solid waste or mixed recycling collection systems.

Program Funding. If producers elect to develop their own stewardship plan, the DOE's administrative costs must be covered by an annual $5,000 registration fee. Producer-developed stewardship plans must include a mechanism for fully allocating the program's operational costs among producers.

Producers that do not develop a DOE-approved plan must participate in a state-contracted plan. Under this scenario, the DOE charges producers a fee of $15,000, of which $5,000 is retained to cover administrative costs, and the remainder contracted for a program operated by a product stewardship organization. Under both the produc-

er-developed plan scenario and the state-contracted plan scenario, anyone may dispose of up to 15 lights every 90 days for free through the stewardship program.

Program Implementation Status. On November 16, 2012, the DOE issued a final rule governing the implementation of the stewardship program. This rule included a requirement that mercury-containing light producers collectively fully finance the operations of the stewardship program. Prior to the January 1, 2013, stewardship program implementation deadline, the DOE contracted with a stewardship organization to develop and set up a mercury-containing lights stewardship program.

In May 2013 a state superior court judge ruled that the part of the DOE's 2012 rule that requires mercury-containing light producers to fully finance a stewardship program was inconsistent with the mercury-lights law passed by the Legislature. Instead, the judge found that the mercury-lights statute capped the annual fees charged to light producers at $15,000 per light producer.

Summary: Program Funding. The option for manufacturers to choose to participate in either an independently-operated stewardship program or a DOE-contracted stewardship program is eliminated. Instead, a stewardship organization that meets program requirements must submit a plan for approval by the DOE.

The existing program funding mechanism, where light manufacturers must either contribute $15,000 or fully finance the stewardship program, is eliminated. Instead, an environmental handling charge is applied to each mercury-containing light sold in the state. The handling charge:

- must cover the stewardship program's operational and administrative costs, plus a reserve;
- must be added to the price of mercury-containing lights sold at retail;
- may, but is not required to, vary by the type of mercury-containing light; and
- must be added to the price of mercury-light sales from producers to retailers, who must add the handling charge to the cost of the products they sell at retail.

Producers must remit the environmental handling charge to the stewardship organization, unless a light retailer purchasing the producer's lights has voluntarily agreed to directly remit the environmental handling charge to the stewardship organization on behalf of the producer. Retailers who voluntarily agree to remit the handling charge to the stewardship organization may retain a portion of the handling charge as compensation for the costs associated with collecting and remitting the handling charge.

The stewardship organization, using funds from the environmental handling charge, must pay $5,000 per participating producer to the DOE to cover administration and enforcement costs.

Environmental Handling Charge Determination. The stewardship organization, in consultation with collectors, retailers, recyclers, and participating producers, must recommend to the DOE an amount for the environmental handling charge. In determining the amount of the environmental handling charge, the stewardship organization must consider the following:

- the anticipated number of mercury-containing lights sold at retail;
- the expected number of mercury-containing lights to be collected for recycling;
- the costs of picking-up, transporting, and recycling mercury-containing lights generated by households and retail purchasers of lights;
- the costs of the fee to be paid to the DOE; and
- other program costs, including public outreach.

A stewardship program is not required to pay for the receipt, accumulation, and storage costs of light collection locations or for the collection costs of curbside or mail-in collection programs. However, a stewardship program must pay for packaging and shipping materials used by collection sites and for transportation and processing costs associated with the lights collected at collection locations.

If a stewardship organization's recommended environmental handling charge is sufficient to cover stewardship program operations and the DOE administrative costs, the DOE must approve the charge within 60 days of receipt of the recommendation. The DOE may adjust the amount of the handling charge recommended by the stewardship organization, if necessary. Procedures are also established for the periodic adjustment of the amount of the environmental handling charge.

Program Operations. Collection locations may include household hazardous waste facilities, charities, retailers, or government recycling sites. There is no requirement for specific sites or types of sites to serve as light collection locations. Stewardship organizations are allowed to offer incentives or payments to mercury light collectors.

A stewardship program must accept up to 10 lights per day from household generators or others who make retail purchases of lights.

Plan Submission and Reporting Requirements. Prospective stewardship program operators must submit an operation plan by June 1 the year before implementation, rather than the previous requirement that the plan be submitted by the January 1 preceding implementation. The stewardship program implementation deadline is changed from January 1, 2013, to January 1, 2015.

When a stewardship organization submits an operational plan to the DOE, it must describe how the environmental handling charge will be determined, as well as the mechanism established to collect and remit the charge to the stewardship organization. The plan must also include

a description of how the program will inform consumers about:

- the environmental handling charge added to the purchase price of mercury-lights;
- mercury-light collection opportunities; and
- the promotion of recycling and waste reduction.

A program must submit an annual report to the DOE that includes an independent financial audit and other information on program finances, outreach activities, and an analysis of the percent of overall light sales that are mercury-containing lights. The DOE may adopt rules for program reporting requirements, and must make annual reports available for public review, with the exemption of any confidential portions of the reports.

Other Provisions. After July 1, 2025, the mercury lights stewardship law and program will undergo a sunset review by the Joint Legislative Audit and Review Committee (JLARC). Without legislative action to extend the program, the law will be repealed effective July 1, 2026. In the event that the stewardship program is repealed, the requirement that persons recycle mercury-containing lights would remain in effect. The prohibition on mercury-containing light disposal via incineration, waste-to-energy, or via landfills would also remain in effect.

An intention is declared to exempt mercury-containing light producers, stewardship organizations, distributors, and retailers from state and federal antitrust laws for the purposes of the stewardship program. The DOE is directed to actively supervise the conduct of the producers and stewardship organization.

Votes on Final Passage:

House	56	41
Senate	31	18

Effective: June 12, 2014
Contingent (Section 10)

2SHB 2251

PARTIAL VETO
C 120 L 14

Concerning fish barrier removals.

By House Committee on Appropriations (originally sponsored by Representatives Wilcox, Blake, Orcutt and Clibborn).

House Committee on Agriculture & Natural Resources
House Committee on Appropriations
Senate Committee on Natural Resources & Parks

Background: Regulatory Streamlining. A person must obtain a hydraulic project approval (HPA) prior to commencing any construction project that will use, divert, obstruct, or change the natural flow or bed of any of the salt or fresh waters of the state. Hydraulic project approvals are issued by the Washington Department of Fish and Wildlife (WDFW) to ensure the proper protection of fish life.

To receive an HPA, the applicant must provide certain information to the WDFW. This information includes general plans for the overall project and complete plans for the proper protection of fish life.

Certain fish enhancement projects may qualify for streamlined administrative review by the WDFW. These projects are expected to result in beneficial impacts to the environment and, if they qualify for streamlined review, receive a decision regarding the associated HPA in 45 days and are exempt from any local government permitting or fees.

This streamlined review is available for projects of an adequate size or scale that either eliminate human-made fish passage barriers, restore eroded or unstable stream banks, or involve the placement of woody debris into the water. However, not all of these projects are eligible for a streamlined review. To be eligible, the projects must also be approved for specific and limited purposes by the WDFW, a conservation district, or other formal review and approval processes.

Management of Fish Enhancement Projects. The WDFW and the Washington State Department of Transportation (WSDOT) both have the authority to administer and coordinate grant programs that involve the removal of impediments to fish passage. All grant programs must be consistent with prioritization efforts, competitive application processes, and minimum dollar match criteria. Priority must be given to projects that immediately increase access to spawning and rearing habitat for depressed or endangered fish stocks or that are otherwise coordinated with other projects in a watershed.

Both the WDFW and the WSDOT must establish a centralized database directory of all fish passage barrier information. The two agencies must also work in partnership to identify cooperative projects that eliminate fish passage barriers caused by state roads and highways.

Coordination between the WDFW and the WSDOT was initially developed through a jointly convened Fish Passage Barrier Removal Task Force (Task Force). The Task Force was made up of state agencies and representatives of tribal governments, local government, and other interested parties. The statutory direction to convene the task force is still codified; however, the task force is no longer active.

Summary: Regulatory Streamlining. Three new categories of fish barrier removal projects are added to the list of projects that are eligible for streamlined permitting under the HPA approval process. The first is stand-alone fish barrier removal projects conducted through the WSDOT's environmental retrofit program. The second addition is fish passage barrier corrections funded through local, state, or federally approved grant programs designed to assist local governments. Finally, stand-alone projects conducted by a city or a county are made eligible for

streamlined review. The state is excused from liability for all projects subject to the streamlined review except in cases of gross negligence or willful or wanton misconduct.

In addition, the WDFW must explore options with the appropriate federal agencies as to the feasibility of bundling multiple transportation-related fish passage barrier removal projects under any available nationwide federal permitting processes.

Management of Fish Enhancement Projects. The WDFW is directed to reconvene and maintain the Fish Passage Barrier Removal Task Force; however, the character of the entity is changed from a task force to a management board (Board). The new Board is to be chaired by the WDFW and be composed of representatives of the WSDOT, cities, counties, the Governor's Salmon Recovery Office, tribal governments, and the Department of Natural Resources. The chair of the Board may also add additional participation as warranted. The Board is charged with identifying and expediting the removal of fish passage barriers, making recommendations about proposed funding mechanisms and methodologies, and ensuring that barrier removals are consistent with other state salmon recovery efforts.

The Board must also develop a coordinated approach that addresses fish passage barrier removals in all areas of the state in a manner that recognizes that scheduling and prioritization is necessary. During this process, the Board must coordinate and share information with other fish passage correction programs and with local conservation districts.

The prioritization process developed by the Board must consider projects that: benefit depressed or endangered stocks; provide immediate access to high quality habitat; are downstream from other blockages; and are coordinated with other adjacent barrier removals.

The WDFW is provided with direction to maintain the database of all fish passage barrier information. The WDFW is also directed to develop a barrier inventory training program to qualify participants to perform barrier inventories and develop data for the centralized database.

Fish passage prioritization principles are provided to be used by the WDFW and the WSDOT when addressing barrier removals. These principles must seek to prioritize opportunities to correct multiple barriers in a stream, create cost savings, and repair downstream barriers first. The principles also include coordinating with other governments, maximizing the habitat value gained by forest landowners, and recognizing partnerships with cities and counties.

Votes on Final Passage:

House	98	0	
Senate	49	0	(Senate amended)
House	98	0	(House concurred)

Effective: June 12, 2014

Partial Veto Summary: Removes direction to the Department of Fish and Wildlife to accomplish coordinated fish barrier removal planning within existing funds.

VETO MESSAGE ON 2SHB 2251

March 28, 2014

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

Ladies and Gentlemen:

I am returning herewith, without my approval as to Section 5, Second Substitute House Bill No. 2251 entitled:

"AN ACT Relating to fish barrier removals."

Section 5 of Second Substitute House Bill 2251 directs the Department of Fish and Wildlife to accomplish significant portions of the bill within existing funds. The Department will likely incur additional costs in future biennium as a result of this bill that it cannot absorb without undue hardship on existing programs. For this reason I am vetoing Section 5.

For these reasons I have vetoed Section 5 of Second Substitute House Bill No. 2251.

With the exception of Section 5, Second Substitute House Bill No. 2251 is approved.

Respectfully submitted,

Jay Inslee
Governor

HB 2253

C 156 L 14

Concerning telecommunications installations.

By Representatives Manweller, Sells, Johnson and Ryu.

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

Background: Electrical Contracting: General. An electrical contractor license is required to engage in the business of installing or maintaining wires or equipment to convey electric current or equipment to be operated by electric current. A general electrical contractor license allows the licensee to engage in all aspects of the electrical business. Electrical contractor specialty licenses include the limited energy (06) specialty. The scope of 06 work is restricted to low-voltage circuits and includes telecommunications, certain alarms, and lighting control systems.

To work as an electrician, an individual generally must have a journey level or specialty electrician certificate of competency. The specialty certificates mirror the specialty contractor licenses. To take the journey level examination, an applicant must work in the electrical construction trade for at least 8,000 hours. For the limited energy (06) specialty certificate, an applicant must work in the specialty for at least 4,000 hours to take the examination.

To obtain the necessary work experience to become a journey level or specialty electrician, an applicant must obtain an electrical training certificate, and in general,

trainees must workunder the supervision of a journey level or the appropriate specialty electrician.

Electrical Contracting: Telecommunications. Engaging in the business of installing or maintaining telecommunications systems requires a telecommunications contractor (09) license. General electrical and limited energy specialty contractors may also engage in telecommunications work. Individual worker certification is not required for telecommunications work.

"Telecommunication systems" are the structured cabling systems between the local service provider and the customer's premises structured cabling system. "Telecommunication systems" include premises switching equipment, fiber optic, and other limited-energy interconnections associated with telecommunications systems or appliances. Excluded are horizontal cabling used for certain fire protection and alarms and lighting control systems. Telecommunications systems may interface with other building signal systems, including security and alarms, within telecommunications closets or at extended points of demarcation.

An administrative hearing resulted in a decision that work performed on cables that carry both data and low voltage electricity, such as power over Ethernet devices, is outside the scope of 09 work and requires an 06 electrician.

The Department of Labor and Industries (Department) issues licenses and certificates of competency and otherwise administers the regulation of electricians and electrical work and telecommunications.

Summary: The definition of "telecommunications systems" is modified to include premises switching equipment providing operational power to the telecommunications device and power distribution associated with telecommunications systems. A rule stating that horizontal cabling for a telecommunications outlet, necessary to interface with other systems including security and alarms outside of a closet, is telecommunications work is placed in statute. Lighting, in addition to lighting control systems, is excluded from "telecommunications systems."

Before July 1, 2015, telecommunications workers who obtain a training certificate may apply unsupervised work experience towards obtaining the required work experience to take the examination to become a limited energy system 06 specialty electrician. The work experience must have been obtained while the worker was employed by a general electrical or limited energy (06) specialty contractor. The applicant receives one-hour credit for every two hours of work. Evidence of the work experience must be submitted in the form of an affidavit prescribed by the Department.

Votes on Final Passage:

House	96	0	
Senate	48	0	(Senate amended)
House	98	0	(House concurred)

Effective: March 31, 2014 (Section 1)
June 12, 2014

SHB 2261

C 21 L 14

Concerning the use of science to support significant agency actions.

By House Committee on Agriculture & Natural Resources (originally sponsored by Representatives Short, Fagan and Magendanz).

House Committee on Agriculture & Natural Resources
Senate Committee on Natural Resources & Parks

Background: The Washington Department of Fish and Wildlife (WDFW) is charged with maximizing fishing, hunting, and outdoor recreation activities for people, while maintaining healthy and diverse fish and wildlife populations. In conjunction with these duties, the WDFW is responsible for adopting rules for the management of hunting and fishing. The WDFW is also involved in the development of recovery plans for threatened and endangered fish and wildlife species under state law and the federal Endangered Species Act.

The Administrative Procedure Act establishes the rule-making process for state agencies and outlines the procedural requirements for appealing an agency action. The Public Records Act (PRA) establishes requirements for agency maintenance of public records and for the provision of those records for public inspection. The PRA requires that certain public records, including records invoked by an agency, be indexed and made available to the public. The records that must be indexed include interpretive statements, policy statements, certain declaratory orders, and orders issued in adjudicative proceedings.

In 2013 legislation was enacted requiring the WDFW to identify, before taking a significant agency action, peer-reviewed science, scientific literature, and other sources relied upon. On its website, the WDFW must also provide the index, required by the PRA, of public records invoked or relied upon in support of a proposed significant agency action. The 2013 law defines the term "significant agency action" as an act of the WDFW that: (1) by rule, adopts, under delegated legislative authority, substantive requirements with penalties for noncompliance; (2) by rule, establishes, alters, or revokes any qualification or standard for the issuance, suspension, or revocation of a license or permit; (3) by rule amendment or adoption, results in significant amendments to an existing policy or program; (4) results in the development of fish and wildlife recovery plans; or (5) results in the development of technical guid-

ance, assessments, or documents used to implement a state rule or statute. Rule-making by the WDFW associated with fishing or hunting rules is not a significant agency action.

Summary: On its website, the WDFW must identify and categorize, in the form of a bibliography or citation list, the sources of information that it relies upon to support significant agency actions. Each source of information relied upon must be designated by the WDFW as belonging to one of the following categories:

- independently peer-reviewed by a third party;
- internally peer-reviewed by the WDFW staff;
- externally peer-reviewed by WDFW-selected persons;
- openly reviewed documents whose review was not limited to invited organizations or individuals;
- legal and policy documents;
- data from primary research or monitoring activities that have not been otherwise peer-reviewed;
- records of the best professional judgment of WDFW employees and other individuals; and
- other sources of information.

The categories are declared to not imply or infer a hierarchy or a level of quality of the source of information.

The WDFW indexing requirement that references a specific subsection of the PRA governing the use of indexed records by government agencies is replaced with a reference to the entire section, which establishes indexing requirements for state and local agencies.

Votes on Final Passage:

House	98	0
Senate	49	0

Effective: June 12, 2014

SHB 2262

C 22 L 14

Concerning the use of science to support significant agency actions.

By House Committee on Environment (originally sponsored by Representatives Short, Fagan and Magendanz).

House Committee on Environment
Senate Committee on Energy, Environment & Telecommunications

Background: The Department of Ecology (DOE) is divided into 10 environmental management programs, each covering a different subject area: air quality; environmental assessment; hazardous waste and toxics reduction; nuclear waste; shorelands and environmental assistance; spill prevention, preparedness, and response; toxics cleanup; waste to resources; water quality; and water resources. Programs within the Shorelands and Environmental Assistance Program include programs targeted to coastal zone management, federal permitting, floods and floodplain management, the Office of Regulatory Assistance, the State Environmental Policy Act, watersheds, and wetlands. Programs within the Water Quality Program include programs targeted to the administration of water quality grants and loans, ground and surface water quality, non-point pollution, permitting of point source pollution, stormwater, wastewater treatment, and water quality assessment.

The Administrative Procedure Act establishes the rule-making process for state agencies and outlines the procedural requirements for appealing an agency action. The state Public Records Act (PRA) establishes requirements for agency maintenance of public records, and for the provision of those records for public inspection. The PRA requires that certain public records, including records invoked by an agency, be indexed and made available to the public. The records that must be indexed include interpretive statements, policy statements, certain declaratory orders, and orders issued in adjudicative proceedings.

In 2013 legislation was enacted to require the DOE to identify peer-reviewed science, scientific literature, and other sources relied upon before taking a significant agency action within its Water Quality or Shorelands and Environmental Assistance programs. On its website, the DOE must also provide the index, required by the PRA, of public records invoked or relied upon in support of a proposed significant agency action. The 2013 law defined the term "significant agency action" as an act of the DOE that: (1) by rule, adopts, under delegated legislative authority, substantive requirements with penalties for noncompliance; (2) by rule, establishes, alters, or revokes any qualification or standard for the issuance, suspension, or revocation of a license or permit; (3) by rule amendment or adoption, results in significant amendments to an existing policy or program; or (4) results in the development of technical guidance, assessments, or documents used to implement a state rule or statute.

Summary: On its website, the DOE must identify and categorize, in the form of a bibliography or citation list, the sources of information that it relies upon to support significant agency actions. Each source of information relied upon must be designated by the DOE as belonging to one of the following categories:

- independently peer-reviewed by a third party;
- internally peer-reviewed by DOE staff;
- externally peer-reviewed by DOE-selected persons;
- openly reviewed documents whose review was not limited to invited organizations or individuals;
- legal and policy documents;
- data from primary research or monitoring activities that have not been otherwise peer-reviewed;
- records of the best professional judgment of DOE employees and other individuals; and
- other sources of information.

The categories are declared to not imply or infer a hierarchy or a level of quality of the source of information.

The DOE indexing requirement that references a specific subsection of the PRA governing the use of indexed records by government agencies is replaced with a reference to the entire section which establishes indexing requirements for state and local agencies.

Votes on Final Passage:

House	98	0
Senate	49	0

Effective: June 12, 2014

HB 2276

C 157 L 14

Concerning the operation by educational service districts of educational programs for residents of residential schools.

By Representatives Robinson, Lytton, Magendanz, Santos, Fagan, Liias, Reykdal and Ryu.

House Committee on Education
Senate Committee on Early Learning & K-12 Education

Background: Certain school districts must provide a program of education to juveniles committed by the courts and confined in residential schools operated by the Department of Social and Health Services (DSHS). There are four such residential schools.

A school district may contract with an educational service district (ESD) to provide the educational program. The ESDs are authorized to enter into agreements with one or more school districts to provide cooperative services on their behalf or and to coordinate joint purchase programs.

Additionally, certain school districts must provide a program of education to juveniles at county detention facilities. There are 22 such county detention facilities. The education program in county detention facilities must be provided in the same manner as in DSHS residential schools.

Summary: An ESD may enter into an agreement to provide a program of education for residential school residents or detention facilities on behalf of a school district as a cooperative service program.

Votes on Final Passage:

House	98	0	
Senate	49	0	(Senate amended)
House	95	0	(House concurred)

Effective: June 12, 2014

HB 2296

C 121 L 14

Addressing duplicate signatures on petitions in cities, towns, and code cities.

By Representatives Pike, Harris, Blake, Vick, Taylor, Overstreet, Farrell, S. Hunt and Pollet.

House Committee on Local Government
Senate Committee on Governmental Operations

Background: There are many statutory purposes for which petitions may be brought in cities and towns including to:

- incorporate a city or town;
- advance the classification of a city or town;
- disincorporate a city or town;
- amend a city charter;
- initiate an ordinance;
- subject an ordinance to referendum;
- consolidate two or more contiguous cities;
- annex unincorporated territory to a city or town;
- initiate the formation of a utility local improvement district;
- create a metropolitan municipal corporation;
- change the name of a city or town; or
- create a city transportation authority.

A petition submitted to a city or town must contain: (1) a concise statement of the action or relief sought by the petitioners and applicable statutes or ordinances; (2) a true copy of the ordinance, if the petition initiates or refers an ordinance; (3) an accurate legal description of the area proposed for annexation, incorporation, withdrawal, or reduction, if the petition seeks such action; (4) numbered lines for signatures with space beside each signature for the name and address of the signer and the date of signing; and (5) a warning that signing a petition without being qualified to do so or making a false statement is a crime.

To be sufficient, a petition must gather a certain number of valid signatures. Signatures must be of qualified registered voters or property owners, as the case may be, in the number required by applicable statute or ordinance (*e.g.*,"signed by registered voters in the city equal in number to 25 percent of the votes cast in the last general election").

When a petition has been filed, the county auditor, or in certain cases the county assessor, determines whether the petition contains a sufficient number of valid signatures. A signature must be stricken if: (1) any person has signed a petition two or more times; or (2) the signature is followed by a date of signing that is more than six months prior to the date of filing of the petition. When a petition contains duplicate signatures, the original and all duplicates are stricken.

Summary: If a person signs a petition submitted to a city or town more than once, all but the first valid signature must be rejected.

Votes on Final Passage:

House	98	0	
Senate	49	0	(Senate amended)
House	95	0	(House concurred)

Effective: June 12, 2014

ESHB 2298

C 44 L 14

Changing the definition of capital projects to include technology infrastructure.

By House Committee on Local Government (originally sponsored by Representatives Pike, Takko, Vick, Harris, Blake, Rodne and Farrell).

House Committee on Local Government
Senate Committee on Governmental Operations

Background: County legislative authorities may impose an excise tax on each sale of real property in unincorporated areas of the county. Similarly, city and town legislative authorities also may impose an excise tax on each sale of real property within their corporate limits. The rate of these real estate excise taxes (REETs) may not exceed 0.25 percent of the selling price.

Revenues generated from this tax, which are intended to be in addition to other funds that may be reasonably available for the capital projects, must be used for financing qualifying capital purposes and improvements in smaller counties and cities and in cities that do not plan under the Growth Management Act (GMA). In counties and cities with more than 5,000 residents and that do plan under the GMA, the REET revenues must, with limited exceptions, be used solely for capital projects and for housing relocation assistance for low-income tenants.

"Capital project," for purposes of these REET provisions, means public works projects of a local government for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of specific facilities and infrastructure, including:

- streets, roads, highways, and sidewalks;
- street and road lighting systems;
- storm and sanitary sewer systems;
- parks; and
- law enforcement and fire protection facilities.

Summary: The definition of "capital project" for purposes of specific, locally-imposed REET provisions, is expanded to allow REET proceeds to be used for technology infrastructure that is integral to the capital project.

Votes on Final Passage:

House	83	13
Senate	48	0

Effective: June 12, 2014

ESHB 2304

C 192 L 14

Concerning marijuana processing and retail licenses.

By House Committee on Government Accountability & Oversight (originally sponsored by Representative Moscoso; by request of Liquor Control Board).

House Committee on Government Accountability & Oversight

Background: Introduction to Initiative Measure No. 502. Initiative Measure No. 502 (I-502 or initiative) was a ballot measure approved by Washington voters in November of 2012 that legalizes the production, processing, possession and personal use of marijuana on a limited scale and creates a framework for a regulatory scheme to be further developed by the Liquor Control Board (LCB) through its rule-making authority.

Licensing of Marijuana Producers, Processors, and Retailers. The initiative creates three categories of marijuana marketing licenses to be issued by the LCB: (1) the marijuana producer's license entitles the holder to produce marijuana for sale at wholesale to licensed marijuana processors or other producers; (2) the marijuana processor's license entitles the holder to process, package, and label marijuana for sale at wholesale to marijuana retailers; and (3) the marijuana retailer's license entitles the holder to sell marijuana products at retail prices in retail outlets. The initiative also created a tax framework wherein sales from marijuana producers to processors, from processors to retailers, and retailers to consumers are each subject to an excise tax of 25 percent.

Restrictions on Licensed Marijuana Retailers. Under I-502, licensed marijuana retailers are subject to specified restrictions. Among those restrictions are prohibitions on the following:

- the sale of products or services other than marijuana products or related paraphernalia;
- employment of persons under 21 years of age;
- allowing persons under 21 years of age to enter or remain on the premises; and
- allowing the opening or consumption of marijuana products on the premises.

A retail licensee who violates any of these prohibitions is subject to a $1,000 fine for each violation.

Varieties of Marijuana Products. The initiative spelled out two different kinds of marijuana products: (1) "useable marijuana," defined as dried marijuana flowers; and (2) "marijuana-infused products," defined as products containing marijuana or marijuana extracts intended for human use. The two definitions are mutually exclusive.

The statutory definition of "marijuana" includes all parts of the Cannabis plant and the resin extracted from any part of it.

Restrictions on Sale. Processors may sell useable marijuana and marijuana-infused products to retailers, and

retailers may sell those items to consumers. However, processors and retailers may not currently sell marijuana extracts. Neither are processors permitted to sell marijuana in any form to other processors.

Allowable Quantities of Marijuana. Under I-502, persons 21 years of age or older may possess:

- 1 ounce of useable marijuana;
- 16 ounces of marijuana-infused product in solid form; or
- 72 ounces of marijuana-infused product in liquid form.

Retailers may sell useable marijuana and marijuana-infused products in the same quantities and in any combination from the premises of a marijuana retail outlet.

Summary: "Marijuana concentrates" is defined as resin extracted from the Cannabis plant with a high THC concentration, in contrast to "marijuana," which includes the entire Cannabis plant. The definition of "marijuana-infused products" is changed to include marijuana or marijuana extracts with between 0.3 percent and 60 percent THC concentration.

Licensed marijuana processors may sell marijuana, including marijuana concentrates, useable marijuana, and marijuana-infused products to other processors and to retailers. Similarly, licensed retailers may sell marijuana concentrates to the same consumers who are currently allowed to purchase useable marijuana and marijuana-infused products and subject to the same restrictions. Sales of marijuana between producers and processors and between retailers and consumers are included in the I-502 excise tax framework. Marijuana concentrates are incorporated into various provisions governing marijuana licensees.

Marijuana retailers may sell up to 7 grams of marijuana concentrates product from the premises of a retail outlet, in any combination with allowable amounts of other kinds of marijuana products.

Account numbers and values provided to the LCB in connection with an application for a marijuana producer, processor, or retailer license are exempted from Public Records Act (PRA) disclosure.

Votes on Final Passage:

House	91	7
Senate	42	7

Effective: June 12, 2014

SHB 2309
C 13 L 14

Providing fairness and flexibility in the payment of property taxes.

By House Committee on Finance (originally sponsored by Representatives Condotta, Shea, Overstreet and Taylor).

House Committee on Finance
Senate Committee on Governmental Operations

Background: Property tax statements are mailed by the county treasurer in February of each year. To avoid interest and penalties, at least half of the amount due must be paid by April 30 and the balance is due by October 31. A person can pay property taxes in person or by mail. If the tax is less than $50 it must be paid in full by April 30. Some counties are now accepting electronic payments via the county treasurer's website. Many lending companies pay the property tax for the homeowner from a property tax reserve account. In this case, tax statements are sent directly to the lending company.

If the current year first-half taxes are not paid by April 30, the entire tax amount becomes delinquent. Interest and penalty amounts on delinquent first half taxes are calculated on the entire year's tax amount. Interest is charged at 1 percent per month on the full amount due from the month of delinquency to the month of payment. A 3-percent penalty is also imposed on the unpaid amount of current taxes on June 1 with an additional 8 percent on the unpaid amount of current taxes as of December 1.

Under certain circumstances, the county treasurer will waive interest and penalties on delinquent property taxes. This includes missed payments due to county error or taxpayer hardship associated with a family member's passing.

Summary: The requirement that interest and penalties apply to the full-year amount of property tax, regardless of amounts already paid, is modified so that these charges only apply to the unpaid balance.

A county treasurer may waive interest and penalties on delinquent property taxes where a taxpayer paid the incorrect amount due to apparent taxpayer error and the taxpayer pays the delinquent taxes within 30 days of receiving notice that the taxes are due.

A county treasurer may accept partial payment of current and delinquent property taxes, including interest and penalties.

The act applies to taxes levied for collection in 2015 and thereafter.

Votes on Final Passage:

House	97	0
Senate	44	5

Effective: June 12, 2014

SHB 2310
C 70 L 14

Concerning safety equipment for individual providers.

By House Committee on Health Care & Wellness (originally sponsored by Representatives Riccelli, Cody, Green, Van De Wege, Tharinger, Morrell, Johnson, Parker, Stonier, Reykdal, Jinkins and Kochmar).

House Committee on Health Care & Wellness
House Committee on Appropriations Subcommittee on Health & Human Services
Senate Committee on Health Care
Senate Committee on Ways & Means

Background: The Department of Social and Health Services (Department) provides publicly funded personal care services to eligible clients who live in their own home and are elderly or have developmental disabilities. Personal care services include assistance with various tasks such as toileting, bathing, dressing, ambulating, meal preparation, and household chores. There are two ways in which personal care services may be provided in the client's home: (1) by an individual provider; or (2) by an employee of a home care agency. Individual providers are hired and supervised by the client they care for and are paid through a direct contract with the Department.

Summary: The Department must coordinate with the Health Care Authority (Authority) to assist Medicaid clients in accessing gloves as part of their health benefit for use by their individual providers. The agencies' assistance must facilitate access to gloves on a monthly basis that is consistent with federal matching fund requirements under Medicaid. The Department must work with the Authority to develop a methodology for non-Medicaid clients to receive gloves on a monthly basis and in a cost-effective and manner that provides easy access.

Votes on Final Passage:

House	98	0
Senate	49	0

Effective: June 12, 2014

ESHB 2315
C 71 L 14

Concerning suicide prevention.

By House Committee on Health Care & Wellness (originally sponsored by Representatives Orwall, Harris, Cody, Roberts, Short, Morrell, Manweller, Green, Jinkins, Fitzgibbon, Tharinger, Ryu, Goodman, Ormsby, Pollet and Walkinshaw).

House Committee on Health Care & Wellness
House Committee on Appropriations Subcommittee on Health & Human Services
Senate Committee on Health Care
Senate Committee on Ways & Means

Background: Training in Suicide Assessment, Treatment, and Management. The following health professions must complete training in suicide assessment, treatment, and management every six years as part of their continuing education requirements:

- counselors and certified advisors;
- chemical dependency professionals;
- marriage and family therapists, mental health counselors, and social workers;
- occupational therapy practitioners;
- psychologists; and
- persons holding a retired active credential in any of the affected professions.

The first training must be completed during the first full renewal period after initial licensure or the first full renewal period after January 1, 2014, whichever is later. A person is exempt from the first training if he or she can demonstrate completion of the required training no more than six years prior to initial licensure.

The training must be approved by the relevant disciplining authority and must include the following elements: suicide assessment, including screening and referral; suicide treatment; and suicide management. A disciplining authority may approve a training program 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 approve training that includes only screening and referral elements if appropriate for occupational therapy practitioners based on practice setting. A training program that includes only screening and referral must be at least three hours in length. All other training programs must be at least six hours in length.

The relevant disciplining authorities were required to work collaboratively to develop a model list of training programs by December 15, 2013. When developing the list, the disciplining authorities were required to consider training programs listed on the Best Practices Registry of the American Foundation for Suicide Prevention and the Suicide Prevention Resource Center and to consult with experts and stakeholders.

A disciplining authority may specify minimum training and experience necessary to exempt a practitioner from the training requirement. The Board of Occupational Therapy may exempt occupational therapy practitioners from the training based on brief or limited patient contact. A state or local government employee, or an employee of a community mental health agency or a chemical dependency program, is exempt from the training requirement if he or she has at least six hours of training in suicide assessment, treatment, and management from his or her employer. The training may be provided in one six-hour block or in shorter segments at the employer's discretion.

The Secretary of Health (Secretary) was directed to complete a study evaluating the effect of evidence-based suicide assessment, treatment, and management training on the ability of a licensed health care professional to identify, refer, treat, and manage patients with suicidal ideation. The study, which was completed in late 2013:

- reviewed available research and literature regarding the relationship between completion of the training and patient suicide rates;
- assessed which licensed health care professionals are best situated to positively influence the mental health behavior of individuals with suicidal ideation;
- evaluated the impact of suicide assessment, treatment, and management training on veterans with suicidal ideation; and
- reviewed curricula of health profession programs offered at state educational institutions regarding suicide prevention.

The Partnership Action Line. In 2007 the Department of Social and Health Services (DSHS) was directed to implement a pilot program to support primary care providers in the assessment and provision of appropriate diagnosis and treatment of children with mental and behavioral health disorders. The resulting program, the Partnership Action Line (PAL), provides psychiatric consultations by telephone to primary care providers statewide. The PAL is based out of Children's Orthopedic Hospital in Seattle and is staffed by child psychiatrists and social workers.

The Washington State Plan for Youth Suicide Prevention. In 1995 the Department of Health, the University of Washington School of Nursing, and a group of experts and stakeholders developed the Washington State Plan for Youth Suicide Prevention. The plan was updated in 2009. The plan contained a variety of statistical and demographic information about youth suicide and set forth five goals (and action areas related to those goals):

- Suicide is recognized as everyone's business.
- Youth ask for and get help when they need it.
- People know what to look for and how to help.
- Care is available to those who seek it.
- Suicide is a preventable public health problem.

Summary: Training in Suicide Assessment, Treatment, and Management. The following health professions are required to complete one-time training in suicide assessment, treatment, and management:

- chiropractors;
- naturopaths;
- licensed practical nurses, registered nurses, and advanced registered nurse practitioners;
- physicians;
- osteopathic physicians;
- physician assistants;
- osteopathic physician assistants;
- physical therapists; and
- physical therapist assistants.

The training must be at least six hours in length, unless the relevant disciplining authority determines that only screening and referral elements are appropriate, in which case the training must be at least three hours in length. The training must be completed during the first full continuing education reporting period after initial licensure or the effective date of the act, whichever is later.

The model list of training programs must be updated at least once every two years. When updating the list, the disciplining authorities must, to the extent practicable, endeavor to include training that includes content specific to veterans. The disciplining authorities must consult with the Washington State Department of Veterans Affairs (WDVA) when identifying content specific to veterans.

Any disciplining authority, instead of just the Board of Occupational Therapy Practice, may exempt a professional from the training requirement if the professional only has brief or limited patient contact.

The Secretary must update the study evaluating the effect of evidence-based suicide assessment, treatment, and management training on the ability of a licensed health care professional to identify, refer, treat, and manage patients with suicidal ideation. The study must be updated twice, once in 2018 and once in 2022, and must be reported to the Governor and the appropriate committees of the Legislature by November 15, 2018, and November 15, 2022.

Psychiatric Consultation Pilot Program. The DSHS and the Health Care Authority (HCA) must develop a plan for a pilot program to support primary care providers in the assessment and provision of appropriate diagnosis and treatment of individuals with mental or other behavioral health disorders and track outcomes of the program. The program must include two pilot sites, one in an urban setting and one in a rural setting, and must include timely case consultation between primary care providers and psychiatric specialists.

The plan must include:

- a description of the recommended program design, staffing model, and projected utilization rates for the two pilot sites and for statewide implementation; and
- detailed fiscal estimates for the pilot sites and for statewide implementation, including:
  - a detailed cost breakdown of the elements of the pilot program, including the proportion of anticipated federal and state funding for each element; and
  - an identification of the elements and costs that would need to be funded though new resources and existing funding.

When developing the plan, the DSHS and the HCA must consult with experts and stakeholders, including primary care providers, experts on psychiatric interventions,

institutions of higher education, tribal governments, the WDVA, and the PAL.

The DSHS and the HCA must provide the plan to the appropriate committees of the Legislature by November 15, 2014.

Washington Plan for Suicide Prevention. The Secretary must develop a Washington Plan for Suicide Prevention. The plan must, at a minimum:

- examine data relating to suicide in order to identify patterns and key demographic factors;
- identify key risk and protective factors relating to suicide; and
- identify goals, action areas, and implementation strategies relating to suicide prevention.

When developing the plan, the Secretary must consider national research and practices employed by the federal government, tribal governments, and other states, including the National Strategy for Suicide Prevention. The plan must be written in a manner that is accessible and useful to a broad audience. The Secretary must periodically update the plan as needed.

The Secretary must convene a steering committee to advise him or her in the development of the plan. The committee must consist of representatives from:

- experts on suicide assessment, treatment, and management;
- institutions of higher education;
- tribal governments;
- the WDVA;
- the DSHS;
- suicide prevention advocates, at least one of whom must be a suicide survivor and at least one of who must be a survivor of a suicide attempt;
- local health departments or districts; and
- any other organizations or groups the Secretary deems appropriate.

The Secretary must complete the plan by November 15, 2015, publish the plan on the Department of Health website, and submit copies of the plan to the Governor and the appropriate committees of the Legislature.

Votes on Final Passage:

House	94	3	
Senate	49	0	(Senate amended)
House	96	2	(House concurred)

Effective: June 12, 2014

SHB 2318

C 193 L 14

Addressing contractor liability for industrial insurance premiums for not-for-profit nonemergency medicaid transportation brokers.

By House Committee on Labor & Workforce Development (originally sponsored by Representatives Seaquist and Appleton).

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

Background: Contractors and subcontractors are subject to industrial insurance laws. The person, firm, or corporation awarding the contract is entitled to collect from the contractor the full amount of industrial insurance premiums. In turn, the contractor is entitled to collect from the subcontractor his or her proportionate amount of the payment.

However, in construction, registered contractors and licensed electrical contractors are not liable for any premiums of a subcontractor if the subcontractor meets certain requirements. Two of the requirements are: (1) the subcontractor has an industrial insurance account in good standing with the Department of Labor and Industries (Department) or is a self-insurer; and (2) the subcontractor maintains a separate set of books or records reflecting its income and expenses.

A contractor may consider a subcontractor's account to be in good standing if, within a year prior to awarding the contract, and at least once a year after, the contractor has verified with the Department that the subcontractor's account is in good standing and the contractor has not received any written notice from the Department that the subcontractor's account status has changed. Verification can include a dated printout from the Department's web site showing the subcontractor's status.

Nonemergency Medicaid Transportation. Medicaid clients in Washington are provided nonemergency medical transportation to and from covered services, such as doctor's appointments. Transportation brokers contract with the Health Care Authority (HCA) to arrange, coordinate, and manage nonemergency medical transportation for Medicaid clients. Brokers determine the mode of transportation for each client and enter subcontracts with transportation providers.

Summary: Nonemergency transportation brokers that operate as not-for-profit businesses are not liable for a subcontractor's industrial insurance premiums if, throughout the contract, the subcontractor has an industrial insurance account in good standing with the Department or is a self-insurer and the subcontractor maintains a separate set of books or records reflecting its income and expenses.

"Nonemergency transportation brokers" are defined as those organizations or entities that contract with the

state HCA to arrange nonemergency transportation for qualified clients.

Votes on Final Passage:

House	95	1
Senate	48	1

Effective: June 12, 2014

EHB 2335

C 122 L 14

Concerning extended foster care services.

By Representatives Roberts, Parker, Kagi, Carlyle, Freeman, Goodman, Walsh, Sawyer, Senn, Zeiger, Jinkins, Muri, Reykdal and Ormsby.

House Committee on Early Learning & Human Services
House Committee on Appropriations
Senate Committee on Ways & Means

Background: In 2008 the federal Fostering Connections to Success and Increasing Adoptions Act (Fostering Connections Act) was signed into federal law. Among its many provisions, the Fostering Connections Act created a pathway for states to use federal foster care funding to extend foster care services to youths ages 19-21 years if the youths engage in certain qualifying activities.

In 2011 legislation was enacted establishing the Extended Foster Care program in Washington. Originally, youths ages 19-21 years were eligible for extended foster care services if the youths were participating in or completing a secondary education program or a secondary education equivalency program. Extended foster care services include, but are not limited to, foster care placement or placement in a supervised independent living setting, medical or dental services, transitional living services, case management, and assistance meeting basic needs.

In 2012 the Legislature expanded extended foster care eligibility to include youths who are enrolled or have applied for and demonstrate intent to enroll in a postsecondary academic or postsecondary vocational program. In 2013 the Legislature further expanded qualifying activities to allow a youth to request extended foster care services if the youth has an open dependency case at age 18 years and is participating in a program or activity designed to promote employment or remove barriers to employment.

Summary: A youth is eligible for extended foster care services if the youth engages in employment for 80 hours or more per month. Additionally, expenditures on the new category of extended foster care are limited to the funding provided specifically for that purpose.

Votes on Final Passage:

House	88	10	
Senate	49	0	(Senate amended)
House	86	10	(House concurred)

Effective: March 1, 2015

EHB 2351

C 126 L 14

Concerning the practice of out-of-state health care professionals volunteering in Washington.

By Representatives Tarleton, Harris, Cody, Schmick, Walkinshaw, Riccelli, Ryu, Morrell, Roberts, Zeiger and Freeman.

House Committee on Health Care & Wellness
Senate Committee on Health Care

Background: Licenses Required to Practice Health Care in Washington. A health care practitioner may not practice in Washington without a valid license to do so.

Retired Active Licenses. An individual credentialed by a disciplining authority in Washington who is practicing only in emergency or intermittent circumstances may hold a retired active credential.

In order to obtain a retired active credential, a practitioner must do the following:

- submit a letter notifying the Department of Health of the intent to practice only on an intermittent or emergency basis; and
- meet the following criteria:
  - hold an active Washington credential in good standing; and
  - either will practice no more than 90 days each year in Washington or will practice only in emergency circumstances such as earthquakes, floods, times of declared war, or other states of emergency.

Immunity for Health Care Delivered in Community Health Care Settings. A health care provider licensed in Washington who provides, without compensation, health care services in a clinic or other health facility that provides free health care to the public is immune from civil liability, other than for gross negligence or willful or wanton misconduct.

Summary: Health care professionals who are licensed in other states, but not in Washington, may practice in Washington on a limited-voluntary basis. The volunteer health care professional's profession must be substantially similar to a profession regulated by a Washington disciplining authority. The volunteer health professional may not practice in Washington for more than 30 days. In order to apply to be a voluntary health care professional, the applicant must submit the following at least 10 working days prior to the first day of volunteer practice:

- a confirmation that the health care professional holds an active license in another state or United States territory;

- a confirmation that the applicant is not subject to any disciplinary action or under investigation for criminal or professional misconduct;
- an acknowledgement that the applicant understands he or she may not perform any activity outside the relevant professional scope of practice in Washington, or the relevant scope of practice in his or her state of licensure, whichever is more restrictive;
- a confirmation that the applicant has not volunteered in Washington for more than 30 days in the current calendar year; and
- the contact information of the organization sponsoring the medical clinic or health care event and the volunteer practice dates.

Neither volunteer health care professionals nor their sponsoring organizations may charge for any time or services performed in Washington. The organizations may reimburse the volunteer health care professionals for incurred travel costs.

Organizations utilizing volunteer health care professionals must verify each application requirement and retain proof of verification for two years after the last day of the medical clinic or event. All health care records of patients evaluated or treated by volunteer health care professionals must be maintained and kept accessible for future health care professionals.

The provisions allowing out-of-state, volunteer health care professionals to practice in Washington do not create any civil liability on the part of the state or any state agency, officer, employee, or agent. The provisions also do not apply to health care professionals operating under emergency management assistance.

Votes on Final Passage:

House	98	0
Senate	49	0

Effective: June 12, 2014

HB 2359

C 72 L 14

Exempting collectible vehicles from emission test requirements.

By Representatives Kochmar, Fagan, Vick, Hurst, Kirby, Morrell, Orwall, Dahlquist, Tarleton and Freeman.

House Committee on Environment
Senate Committee on Transportation

Background: The Department of Ecology (DOE) designates a region as a noncompliant area if the region exceeds, or will probably exceed, emission and ambient air quality standards and the DOE determines that motor vehicle emissions are the primary source of air contaminents. Noncompliant areas include Seattle, Bellevue, Spokane, Tacoma, Vancouver, and Everett. These noncompliant areas are then used to determine geographical boundaries in which vehicle emission testing is required. These regions are called emission contributing areas and include multiple zip codes from the Puget Sound, Vancouver, and Spokane regions.

Emission Test Requirements. Vehicles five through 25 years old and registered in Washington at a zip code identified as an emission contributing area must meet vehicle emission standards set by the DOE on a biennial basis.

The Department of Licensing (DOL) is responsible for implementing and enforcing these vehicle emission standards. Except for exempt vehicles, the DOL may only issue or renew motor vehicle registrations that are accompanied by either a valid certificate of compliance, or a valid certificate of acceptance. A certificate of compliance is issued when a vehicle passes emission testing requirements. A certificate of acceptance is issued to certain vehicles that fail emissions tests in spite of investments in repair work by the owner. Several types of vehicles are entirely exempt from emission testing requirements, including vehicles older than 25 or younger than five years old, farm vehicles, and structural and custom vehicles.

Collectible Vehicle Insurance. For a vehicle to be eligible for collectible vehicle or classic automobile insurance, the vehicle must meet certain qualifications set by the insurance company. Some of the typical requirements may include:

- that the vehicle be driven on a limited basis with a mileage ceiling;
- that the vehicle be stored in a secure garage;
- that the owner provide proof of a second vehicle;
- that the vehicle meet an age requirement, usually 15 or 25 years old or older; and
- that the vehicle has a stable market value and settled depreciation.

Summary: Collectible vehicles are exempted from emission test requirements if the vehicle:

- is of unique and rare design, of limited production, and an object of curiosity;
- is maintained primarily for use in car club activities, exhibitions, parades, or other activities of public interest or private collection, and is used only infrequently for other purposes; and
- has collectible or classic vehicle insurance coverage that restricts its mileage or use, or both, and requires the owner to have another vehicle for personal use.

Votes on Final Passage:

House	96	0
Senate	48	0

Effective: June 12, 2014

SHB 2363
C 180 L 14

Concerning home and community-based services programs for dependents of military service members.

By House Committee on Community Development, Housing & Tribal Affairs (originally sponsored by Representatives Muri, Seaquist, Zeiger, Morrell, Freeman, Christian, Kochmar, Dahlquist and Appleton).

House Committee on Community Development, Housing & Tribal Affairs
Senate Committee on Health Care

Background: Home and Community-Based Services. The Department of Social and Health Services (DSHS), through the Developmental Disabilities Administration (DDA), offers services for children with developmental disabilities and their families. The DDA administers federal Medicaid funding for institutional services provided for developmentally disabled persons.

Clients may opt out of institutional services in favor of home and community-based services (HCBS) through certain Medicaid waiver programs administered by the DDA. These HCBS waiver programs are provided to allow a client to receive in-home services and avoid out-of-home placement in an institutional facility.

The Children's Intensive In-Home Behavioral Support Waiver program allows a child aged 8 to 20 years old, with a high or severe risk of out-of-home placement, to remain in his or her family home. Services provided through this program include:

- behavior management and consultation;
- environmental adaptations;
- motor vehicle adaptations;
- therapy equipment and supplies;
- personal care;
- specialized diet goods and services;
- in-home respite and planned out-of-home respite;
- intensive intervention training for families and other individuals and partners working with the child; and
- coordination and planning.

Other HCBS waivers administered by the DDA include Basic Cost Plus, Core, and Community Protection programs, which provide personal care and other home-based services.

The DDA determines a person's eligibility for Medicaid benefits, including HCBS, and maintains a database of eligible persons who are assessed for the level of service provided. Services are approved for eligible persons based on the level of service and need, as determined by the DDA.

Military Health Services. Active military members and their families and National Guard and Reserve members and their families are eligible for health care services managed by the federal Department of Defense. Military families with special needs are eligible for certain extended medical services while the member is in the military.

Summary: Children and spouses (dependents) of military service members who have been determined by the DDA to be eligible for developmental disability services retain eligibility so long as they remain legal residents of the state, regardless of whether they left the state due to the military member's assignment. If eligibility requirements change, the dependent remains eligible until a reeligibility determination is made.

The DDA must provide services for an eligible dependent after an assessment and approval of services has been made, if the dependent provides the military member's discharge papers and proof of the member's residence in the state.

A dependent who has previously received services from the DDA may request services upon returning to the state from the military member's out-of-state assignment. The DDA must determine eligibility for the dependent upon return and allow for an appeal for any denial of services.

The Secretary of the DSHS must request a waiver from the appropriate federal agency, if necessary, to provide Medicaid services for this group of dependents.

Votes on Final Passage:

House	96	0	
Senate	49	0	(Senate amended)
House	95	0	(House concurred)

Effective: June 12, 2014

EHB 2397
C 181 L 14

Concerning Medal of Honor special license plates.

By Representatives Seaquist, MacEwen, Orwall, Ryu, Morrell, Zeiger, Haler, Tarleton and Pollet.

House Committee on Transportation

Background: In 1979 the Legislature authorized the creation of a Congressional Medal of Honor special license plate. Washington residents who have received the Congressional Medal of Honor may apply for the special license plate for display on a vehicle of which they are the registered owner through the Department of Licensing (DOL) by completing a military license plate application and submitting a letter of eligibility from the Washington State Department of Veterans Affairs (DVA) verifying that they have received the Congressional Medal of Honor.

The Congressional Medal of Honor special license plates must be issued for use on a single motor vehicle owned by the person who has received the Congressional Medal of Honor and without payment of vehicle license fees, license plate fees, and motor vehicle excise taxes. The plates must also be replaced, free of charge, if the plates become lost, stolen, damaged, defaced, or de-

stroyed. The plates may be transferred, free of charge, from one motor vehicle to another owned by the Congressional Medal of Honor recipient upon application to the DOL, county auditor or other agent, or subagent appointed by the Director of the DOL.

Summary: Registered owners who have been awarded the Medal of Honor may apply for Medal of Honor special license plates for use on no more than three motor vehicles. The Medal of Honor special license plates may be used on vehicles where the Medal of Honor recipient is recorded as one of the registered owners. Those owners who are eligible for the Medal of Honor plates and choose not to utilize them may receive the fee exemptions associated with the Medal of Honor special license plates for regular issue plates for no more than three vehicles.

References to "Congressional" are eliminated to correct the title of the medal, and a definition for the Medal of Honor as the military decoration presented by the President of the United States, in the name of Congress, is provided.

Votes on Final Passage:

House	98	0
Senate	48	0

Effective: June 12, 2014

HB 2398

C 158 L 14

Permitting community colleges that confer applied baccalaureate degrees to confer honorary bachelor of applied science degrees.

By Representatives Walkinshaw, Haler, Seaquist, Zeiger, Muri, Smith, Ryu, Reykdal, S. Hunt, Gregerson and Pollet.

House Committee on Higher Education
Senate Committee on Higher Education

Background: Authority to Confer Honorary Degrees. The Boards of Regents of the state research universities and the Boards of Trustees of Central Washington University, Eastern Washington University, the Evergreen State College, and Western Washington University, are authorized, upon recommendation of the faculty, to confer honorary degrees upon persons other than graduates of the university or college in recognition of their learning or devotion to literature, art, or science.

Similarly, upon recommendation of the faculty, and in recognition of a person's learning or devotion to literature, art, or science, the Boards of Trustees for community and technical colleges may confer honorary Associate of Arts degrees upon persons other than graduates of the college.

Legislation enacted in 2012 added authorization for all the Boards of Regents and Boards of Trustees at higher education institutions to confer honorary degrees upon former students of the institution who were ordered into an internment camp in 1942 and did not graduate.

Bachelor of Applied Science Programs at Community and Technical Colleges. Legislation enacted in 2005 directed the State Board for Community and Technical Colleges (SBCTC) to create a pilot program and to develop and offer Bachelor of Applied Science (B.A.S.) degrees at selected colleges. In 2010 the pilot status of the program was removed and the SBCTC is authorized to approve community and technical college applications to offer applied baccalaureate degree programs.

A total of 475 full-time equivalent students were enrolled in 10 B.A.S. programs in the 2012-13 academic year. In total, 17 programs have been approved to offer B.A.S. degrees.

Summary: The Boards of Trustees of community and technical colleges that are authorized to offer baccalaureate degrees are authorized to confer honorary B.A.S. degrees.

Votes on Final Passage:

House	98	0
Senate	49	0

Effective: June 12, 2014

SHB 2430

C 194 L 14

Concerning athletic trainers.

By House Committee on Health Care & Wellness (originally sponsored by Representatives Riccelli, Schmick and Ormsby).

House Committee on Health Care & Wellness
Senate Committee on Commerce & Labor

Background: The Department of Health (Department) licenses, establishes standards for, and disciplines athletic trainers. It is unlawful to practice or offer to practice as an athletic trainer without being licensed. "Athletic training" means application of the following principles by a licensed athletic trainer:

- risk management and prevention of athletic injuries;
- recognition, evaluation, and assessment of athletic injuries;
- immediate care of athletic injuries;
- treatment, rehabilitation, and reconditioning of athletic injuries through the application of physical agents and modalities, therapeutic activities and exercise, standard reassessment techniques and procedures, commercial products, and educational programs in accordance with guidelines established with a licensed health care provider; and
- referral of an athlete to a licensed health care provider if the injury requires further care or is outside the athletic trainer's scope of practice.

"Athletic training" does not include most orthotic and prosthetic services, medical diagnosis, prescribing of

drugs, or surgery. "Athletic injury" means an injury or condition sustained by an athlete that affects participation or performance in exercise, recreation, sport, or games. The injury or condition must be within the professional preparation and education of the athletic trainer.

Except as necessary to provide emergency care, an athletic trainer may only provide treatment, rehabilitation, or reconditioning services as provided in guidelines established with a licensed health care provider (specifically, a physician, physician assistant, osteopathic physician, osteopathic physician assistant, advanced registered nurse practitioner, naturopath, physical therapist, chiropractor, dentist, massage practitioner, acupuncturist, occupational therapist, or podiatric physician and surgeon).

The Department has authority to develop and administer examinations, issue licenses, and adopt rules to implement the athletic trainer law.

Rules adopted by the Department of Labor & Industries permit payment for physical medicine services for an injured worker provided by a medical or osteopathic physician who is board certified or board qualified in the field of physical medicine and rehabilitation, a licensed physical therapist, or an injured worker's attending doctor, within certain limitations. The physical medicine services must be personally performed by: the physician; attending doctor; the physical therapist or a physical therapy assistant employed by and serving under the direction of a physical therapist, physician, or attending doctor.

Summary: "Athletic training" includes treatment, rehabilitation, and reconditioning of work-related injuries if the an athletic trainer provides the treatment, rehabilitation, or reconditioning: (1) under the direct supervision of a provider who is authorized to provide physical medicine and rehabilitation services for injured workers; and (2) in accordance with a plan of care for an individual worker established by such a provider.

The Department may establish continuing education requirements for athletic trainers.

Votes on Final Passage:

House	81	16
Senate	48	1

Effective: June 12, 2014

SHB 2433

C 123 L 14

Requiring a city or town to notify light and power businesses and gas distribution businesses of annexed areas and affected properties.

By House Committee on Local Government (originally sponsored by Representatives Habib and Ryu).

House Committee on Local Government
Senate Committee on Governmental Operations

Background: There are multiple methods for municipal annexations. While cities that operate under the Optional Municipal Code (code cities) have statutory requirements for governance and operation that are separate from those that do not, the annexation methods that all cities and towns may employ are generally similar.

When territory that is part of a fire protection district (fire district) is annexed to a code city, noncode city, or town, the fire district taxes on the annexed property that were levied, but have not been collected and are not delinquent at the time of annexation, must be paid to the annexing city or town. Similar payment provisions also exist for county road district and library district taxes that were levied and not collected at the time of annexation.

Additionally, all cities and towns that have annexed territory have notification obligations and must provide, by certified mail, a list of the annexed parcels to the county treasurer and assessor, and to the fire and library district, as appropriate, at least 30 days before the effective date of the annexation. The treasurer is only required to remit to the annexing city or town those fire district, library district, and county road district taxes collected 30 days or more after receipt of the notification.

Summary: The list of entities that must be notified of an annexation by a code city, noncode city, or town is expanded to include light-and-power businesses and gas-distribution businesses.

The required notification, which must include a list of the annexed parce numbers and street addresses, may be provided by certified mail or by electronic means, a term defined to mean an electronic format agreed to by the sender and recipient that conveys all applicable information

Also, the amount of time before the effective date of the annexation that the notification must be provided to the recipients is increased from at least 30 days to at least 60 days.

The county treasurer is only required to remit to the annexing city or town those road taxes, fire district taxes, and library districts taxes collected 60 or more days, rather than 30 or more days, after receipt of the annexation notification.

Light-and-power businesses and gas distribution businesses are only required to remit to an annexing city or town those utility taxes collected 60 or more days after receipt of the notification. In the event of an error or accidental omission by a code city, noncode city, or town in the transmitted annexation notice, the city, noncode city, or town may correct the notice by providing an amended notice to the county treasurer and assessor, the light-and-power businesses, the gas-distribution businesses, and the fire district and library district, as appropriate. The recipient of the amended notice is only required to remit applicable taxes to the code city, noncode city, or town, in accordance with the corrected information, 60 days after its receipt of the amended notice.

Votes on Final Passage:

House	97	0
Senate	49	0

Effective: June 12, 2014

HB 2446

C 16 L 14

Simplifying procedures for obtaining an order for refund of property taxes.

By Representatives Gregerson, Rodne, Carlyle, Dahlquist, Farrell, Springer, Freeman, Senn, Sullivan, Moscoso, Pettigrew, Magendanz, Pollet, Tarleton, Ryu, Stanford, Bergquist, Morrell and Tharinger.

House Committee on Finance
Senate Committee on Governmental Operations

Background: A taxpayer who pays property tax in excess of the amount due is entitled to a refund of the overpayment and interest on the amount of the overpayment. The interest rate is set by the Department of Revenue (DOR) during the year of the payment to be refunded. To apply for a refund, the taxpayer must file a petition for a property tax refund with the county treasurer within three years of the due date of the payment. The petition must be verified by the taxpayer or the taxpayer's guardian, executor, or administrator and include the statutory ground justifying the refund.

Summary: A taxpayer is not required to file a petition for a property tax refund under the following circumstances: (1) by order of a board of equalization, State Board of Tax Appeals, or court of competent jurisdiction; (2) a decision is issued by a county treasurer or assessor justifying the refund upon statutory ground; or (3) a county assessor or the DOR approved a property tax exemption application.

Votes on Final Passage:

House	96	0
Senate	49	0

Effective: June 12, 2014

SHB 2448

C 17 L 14

Transferring the insurance and financial responsibility program.

By House Committee on Business & Financial Services (originally sponsored by Representatives Fey, Orcutt and Ryu; by request of State Treasurer).

House Committee on Business & Financial Services
Senate Committee on Financial Institutions, Housing & Insurance

Background: Financial Responsibility Program. Proof of financial responsibility means proof of the ability to respond to damages where a driver or owner is liable. Unless exempt, the driver or owner of a vehicle subject to registration involved in an accident within Washington that results in bodily injury, death, or property damage must provide a security deposit. The driver's license of an owner of a vehicle involved in an accident or of any driver involved in an accident may be suspended if a required security deposit is not provided within 60 days of receiving notice from the Department of Licensing (Department).

Proof of financial responsibility may be established by a certificate issued by the Office of the State Treasurer (Treasurer) indicating that the person named has deposited $60,000 in cash or securities with a market value of $60,000. The Treasurer may not issue a certificate and the Department may not accept any certificate unless it is also shown that there are no unsatisfied judgments against the depositor in the county where he or she lives.

Any requirement to provide security does not apply to:

- the driver or owner of a motor vehicle if the owner had an automobile liability policy or bond in effect, except where a driver at the time of the accident operated the vehicle without the owner's permission;
- the driver if there is a bona fide claim on the part of the driver that there was an insurance policy or bond covering the driver at the time of the accident;
- any person qualifying as a self-insurer or any person operating a vehicle for a self-insurer;
- any driver or owner of a vehicle, where the accident caused no injury or damage to a person or property except that of the driver or owner;
- the driver or owner of a vehicle, where the vehicle was legally parked at the time of the accident;
- the owner of the vehicle, where the vehicle was driven or parked illegally without the owner's express or implied consent;
- the owner of a vehicle that was leased by the United States, Washington, or any political subdivision or municipality of Washington or to a driver operating such vehicle with permission; or
- the owner or driver of a vehicle, where at the time of the accident the vehicle was being operated by or at the direction of a police officer who, in the performance of his or her duties, assumed custody of the vehicle.

Summary: The Department, instead of the Treasurer, is the agency that issues the certificate demonstrating proof of financial responsibility regarding motor vehicle accidents. The certificate is issued upon a showing that a driver or owner has made the required security deposit.

Votes on Final Passage:

House	97	0
Senate	49	0

Effective: June 12, 2014

SHB 2454
C 73 L 14

Developing a water quality trading program in Washington.

By House Committee on Agriculture & Natural Resources (originally sponsored by Representatives Blake, Buys, Lytton and Smith).

House Committee on Agriculture & Natural Resources
Senate Committee on Agriculture, Water & Rural Economic Development

Background: Generally speaking, a conservation market is a program that facilitates payments to landowners for environmental improvements. The theory behind conservation markets is that regulatory requirements can be met by paying landowners for conservation projects. Conservation markets are also known as ecosystem service markets, conservation and mitigation banks, and water quality trading programs.

In 2008 the State Conservation Commission (Commission) was directed by the Legislature to conduct a study on the feasibility and desirability of establishing farm and forestry-based conservation markets in Washington. To carry out this study, the Commission was given the authority to enter into a contract with an entity that has knowledge and experience in agriculture and conservation markets. The study required the Commission to:

- evaluate agricultural conservation markets operating in other states;
- collaborate with farm and small forest landowners' organizations and agricultural special purpose districts to assess market-ready products;
- identify opportunities for conservation markets that could provide ongoing revenue to farm and small forestry operations to improve their long-term viability; and
- work with public agencies to determine potential demand.

The Commission was to present its findings and recommendations by December 1, 2008. If the study determined that conservation markets were feasible and desirable, the Commission was to conduct two demonstration projects. In its official report, the Commission found that pilot projects were warranted and that the Commission, together with the Department of Natural Resources, should lead efforts to identify and pursue projects in farm and forest communities. The Commission recommended that particular attention should be focused on pilots that could demonstrate the potential of greenhouse gas and water quality markets. The pilot projects were not completed.

Summary: The Commission, in partnership with the Department of Ecology (Department), is directed to build upon the conservation market report it delivered to the Legislature in 2009 and further explore whether there are a sufficient number of potential buyers and sellers for a water quality trading program to be successful in watersheds where total maximum daily loads have been established. The assessment must be conducted in coordination with other interested entities.

The final report must be delivered to the Legislature by October 31, 2017. Prior to issuing the report, the Commission must ensure that the Department concurs with its determinations.

Votes on Final Passage:

House	93	5
Senate	49	0

Effective: June 12, 2014

HB 2456
C 145 L 14

Correcting the expiration date of a definition of firefighter.

By Representatives Gregerson, Freeman, Tarleton, Orwall, Sells, Ryu, Appleton, Van De Wege, Goodman, Morrell and Muri; by request of LEOFF Plan 2 Retirement Board.

House Committee on Appropriations
Senate Committee on Ways & Means

Background: Emergency Medical Technicians (EMTs) are included in the membership of the Law Enforcement Officers' and Fire Fighters' Plan 2 (LEOFF 2) if they work on a full-time, fully compensated basis for public employers, including cities, towns, counties, districts, municipal corporations, general authority law enforcement agencies, or four-year institutions of higher education that had working fire departments before January 1, 1996. Certain EMTs were moved from membership in the Public Employees' Retirement System (PERS) to the LEOFF 2 by two acts enacted in 2005 and 2007. Each bill provided a mechanism to enable EMT members of the LEOFF 2 to earn future service credit in the LEOFF 2, and for members to transfer past service earned as an EMT in the PERS Plan 2.

Emergency Medical Technician LEOFF 2 members transferring PERS service are required to pay the difference between the contributions paid into the PERS and those that would have been paid had the member earned the service originally in the LEOFF 2, plus interest. The member payment must be completed within five years of electing to transfer the service.

The provisions permitting EMT members of the LEOFF 2 to transfer past service from the PERS expire July 1, 2023. The changes to the LEOFF 2 definition that included EMTs expired in the 2005 legislation, and in the 2007 legislation provisions were included that both indicated that the definition change would not expire and that the entire act including the definition section would expire.

Summary: The July 1, 2023, expiration date of the portion of the Law Enforcement Officers' and Fire Fighters' Retirement System Plan 2 (LEOFF 2) membership definition that includes qualified Emergency Medical Technicians in LEOFF 2 is repealed by specifying the sections of the 2007 EMT LEOFF 2 legislation that expire.

Votes on Final Passage:

House	97	0
Senate	48	1

Effective: June 12, 2014

2SHB 2457

C 195 L 14

Concerning derelict and abandoned vessels.

By House Committee on Appropriations (originally sponsored by Representatives Hansen, Smith, Fagan, Springer, Rodne, Reykdal, Magendanz, Fitzgibbon, Vick, Lytton, Wilcox, Pollet, Tharinger, Ryu, Van De Wege, Buys and Hayes; by request of Department of Natural Resources).

House Committee on Agriculture & Natural Resources
House Committee on Appropriations
Senate Committee on Natural Resources & Parks
Senate Committee on Ways & Means

Background: Removal of Derelict or Abandoned Vessels. An authorized public entity (APE), which includes most state and local owners of aquatic lands and shorelines, has the authority to remove and destroy a vessel within its jurisdiction that has become abandoned or derelict. The Department of Natural Resources (DNR) has an oversight and rule-making role in the removal and disposal process. The DNR also has authority to remove any vessel within the jurisdiction of an APE that asks the DNR to act in its place.

The owner of a private marina may participate in the derelict vessel removal program by contracting with a local government. The contract between the marina and the local government must be approved by the DNR and require the marina to be responsible for the share of vessel removal not covered by the Derelict Vessel Removal Account (Account).

Taking Possession of Derelict Vessels. Prior to taking action on a vessel, an APE must attempt to notify the vessel's owner of its intent to remove the vessel. All notices must include specified information, including: the procedures that must be followed to reclaim possession of the vessel, possible financial liabilities, and the rights of the APE after custody of the vessel is claimed.

Once the APE takes custody of a vessel, the APE may use or dispose of the vessel in any environmentally sound manner. However, the APE must first attempt to derive some value from the vessel either in whole or scrap. If a value can be derived, then that amount will be subtracted from the financial liabilities of the owner. If the vessel has no salvageable value, then the APE must utilize the least costly disposal method.

The owner of a derelict or abandoned vessel is responsible for reimbursing the APE for all costs associated with the removal and disposal of the derelict or abandoned vessel. These costs include administrative costs and costs associated with any environmental damage caused by the vessel.

The Derelict Vessel Removal Account. Monies in the Account are used to reimburse the APEs for 90 percent of the costs associated with removing and disposing of abandoned or derelict vessels when the owner of the vessel is unknown or unable to pay. The APE may contribute its 10 percent of removal costs through in-kind services. Priority for use of the Account's funds must be given to the removal of vessels that are in danger of breaking up, sinking, presenting environmental risks, or blocking navigation channels.

Funding Vessel Removals. Most recreational vessel owners in the state are required to annually register their vessels. The vessel registration program requires the payment of a $2 derelict vessel removal fee. In addition, there is a $1 derelict vessel surcharge dedicated to removing larger boats.

The Legislature has also appropriated money from the state's capital budget for this purpose in recent biennia.

Vessel Owner Accountability. Beginning on July 1, 2014, the owner or operator of a vessel that is more than 40 years old and longer than 65 feet must obtain a vessel inspection before transferring ownership of the vessel to another party. A copy of the inspection report must be provided to the transferee and the DNR. Failure to do so can result in the initial owner of the vessel being secondarily liable for some of the costs should the vessel eventually become abandoned or derelict. The DNR is in the process of working with interested parties to develop rules related to the inspection process.

Summary: Vessel Owner Responsibility. Vessel owners who are required to conduct a pre-sale inspection as of July 1, 2014, are prohibited from selling an unseaworthy vessel if the inspection determines that the value of the vessel is less than the anticipated costs to repair it. If this is the case, the vessel may only be sold if it is returned to seaworthiness or sold for scrap, salvage, or restoration to a licensed professional. This provision only applies to vessels that are greater than 65-feet-in-length and more than 40-years-old.

The required inspection must be conducted by a third-party marine surveyor. The DNR may also, by rule, allow other forms of vessel condition determinations to satisfy the inspection requirement. This may include certificates of inspection by the United States Coast Guard (Coast Guard).

In addition, the purchaser of a vessel greater than 65-feet-in-length and more than 40-years-old must secure a marine insurance policy, or policies, concurrent with com-

pleting the purchase. The insurance policy must have a term of at least 12 months, provide coverage of at least $300,000, and provide for the removal of the vessel should it become derelict and coverage should the vessel cause a pollution event. The DNR may, by rule, allow for the posting of adequate security with a financial institution to substitute for the insurance requirement.

Proof of the policy must be provided to the seller, and if applicable, to the Department of Licensing (DOL) or the Department of Revenue (DOR). It is a gross misdemeanor to purchase a vessel without first obtaining insurance or to cancel the policy before the end of its term.

A vessel owner may still choose to sell a vessel that is deemed unseaworthy in a marine survey or to a person who fails to obtain a marine insurance policy; however, in either of those cases, the seller assumes potential secondary liability should the buyer allow the vessel to become derelict or abandoned. Challenges to secondary liability may be brought directly to a county superior court.

Authorities and Requirements Applicable to Marinas. The authority for private marinas to contract with local governments for the removal of derelict and abandoned vessels from their premises is expanded to include the authority to contract with the DNR. Neither local governments nor the DNR are required to enter into these contracts.

All marinas, both public and private, must obtain and maintain insurance coverage for their facilities and must require all vessels moored at their facility to display proof of insurance as a condition of moorage. Unless the DNR determines otherwise in rule, the policies covering the vessels and the marinas must offer at least $300,000 in coverage encompassing general, legal, and pollution liability protection. If a private marina fails to maintain coverage, or allows a vessel to moor at its facility without demonstrating proof of insurance, then the marina may incur potential secondary liability for a vessel at the marina that becomes derelict or abandoned. If the same happens at a public moorage, then that facility is not eligible for reimbursement from the DNR.

Encouraging Vessel Removal and Deconstruction. Beginning October 1, 2014, the retail sales and use tax is not applicable to vessel deconstruction activities. The sales tax emption applies to permitted deconstruction facilities. Although deconstruction facilities may also engage in vessel maintenance and repair, only the deconstruction activity is exempt from the retail sales and use tax.

New Revenue to the Derelict Vessel Program. A new fee is established for commercial vessels. The fee is set at $1 per vessel foot and collected annually by the DOR at the same time, and during the same years, personal property taxes for the vessel are due. All collected revenues are directed to the Account.

The commercial vessel fee does not take effect until January 1, 2015.

Incentivizing Vessel Registration. Any moorage facility operator that provides moorage for more than 30 days must obtain certain information from a moorage tenant. This information includes contact information for the owner, any applicable hull registration numbers, and proof of vessel registration, an affidavit that a vessel is exempt from registration, or a written statement of the owner's intent to register the vessel. The collected information must be retained for two years and shared with the DOR, DOL, or DNR upon request. The DOR, DOL, and DNR may also inspect moorage facilities for vessels that are not properly registered.

Vessels found not to be properly registered that are also required to pay the watercraft excise tax may be assessed a penalty by the DOR. The penalty is $100 for a first violation, $200 for a second violation, and $400 for violations after the second violation. The existing gross misdemeanor of registering a vessel in another state to avoid Washington's watercraft excise tax is expanded to include vessel owners who fail to register the vessel in an attempt to avoid vessel registration requirements.

Votes on Final Passage:

House	88	9	
Senate	45	4	(Senate amended)
House	89	9	(House concurred)

Effective: June 12, 2014
October 1, 2014 (Sections 301 and 302)
January 1, 2015 (Sections 401 through 403)

ESHB 2463

C 124 L 14

Concerning special parking privileges for persons with disabilities.

By House Committee on Transportation (originally sponsored by Representatives S. Hunt, Johnson, Reykdal, Pike, Clibborn, Orcutt and Freeman).

House Committee on Transportation
Senate Committee on Transportation

Background: Special parking privileges are provided for persons with disabilities. Qualifying disabilities include a limited ability to walk, the use of portable oxygen, impaired breathing or cardiovascular function, an acute sensitivity to automobile emissions, impaired vision, or a sensitivity to light. To establish such a disability, an applicant must receive a determination by a qualifying medical professional, such as a licensed physician. Providing false information on an application for special parking privileges is a gross misdemeanor. Organizations may also apply for special parking privileges, including public transportation authorities, assisted living facilities, private nonprofit corporations, and registered cabulance companies.

Any person who qualifies for special parking privileges must receive an identification card and may receive special parking placards, a special parking license plate, or both. Alternatively, under certain circumstances, a person may receive a temporary parking placard, valid for up to six months. These parking placards and special license plates must be displayed on the motor vehicle, entitling persons with disabilities to park in reserved spaces.

Any qualified holder of these parking placards or a special license plate may park free of charge and beyond a posted time limit in public parking areas. It is an infraction, however, for a person to park in a space reserved for persons with disabilities without displaying the proper plate or placard or to block the access isle located next to a space reserved for persons with disabilities. Any unauthorized use of a parking placard, special license plate, or identification card is also an infraction. Each of these infractions carries a total penalty of $450. It is also an infraction, carrying a penalty of $250, to illegally obtain a parking placard, special license plate, or identification card.

These parking privileges must be renewed at least every five years. Finally, parking placards and the identification card must be returned to the Department of Licensing (DOL) upon the placard holder's death.

Summary: The application materials for special parking privileges must include a warning that an applicant or health care practitioner who knowingly provides false information is guilty of a gross misdemeanor. During the application process, a health care practitioner must provide signed authorization on a prescription pad or office letterhead. A health care practitioner must also provide signed written authorization for a holder to renew his or her special parking privileges. Additionally, the maximum period of validity for temporary parking placards is extended from six to 12 months.

Parking placards issued by the DOL must include on the front of the placard a serial number and an expiration date, both of which must be clearly visible from a distance of 10 feet. It is a traffic infraction for a person to fail to display the full face of such a placard when parked in a space reserved for persons with disabilities. This infraction carries a total penalty of $450. Additionally, it is a misdemeanor to illegally obtain or to sell a parking placard, special license plate, special year tab, or identification card. If a person is found to have violated the provisions relating to special parking for persons with disabilities, a court may order a person to surrender his or her placard, plate, tab, or card.

Finally, accessible van rental companies are added to the list of organizations that may apply for special parking privileges.

Votes on Final Passage:

House	95	1	
Senate	48	0	(Senate amended)
House	98	0	(House concurred)

Effective: July 1, 2015

SHB 2492

C 159 L 14

Concerning liability of health care providers responding to an emergency.

By House Committee on Judiciary (originally sponsored by Representatives Rodne, Jinkins, Morrell and Tharinger).

House Committee on Judiciary
Senate Committee on Law & Justice

Background: Proclamation of Emergency. The Governor is authorized to proclaim an emergency in any area in the state where a public disorder, disaster, energy emergency, or riot exists that affects life, health, property, or the public peace. The proclamation must be in writing and filed with the Office of the Secretary of State, with as much public notice as is possible. The proclamation ends when it is terminated by subsequent order of the Governor, and any proclamation must be terminated when order is restored to the area.

Actions for Injury Occurring as the Result of Health Care. Per statute, there are three different types of claims that may be brought against health care providers:

- Professional negligence, alleging that injury resulted from the failure of the provider to follow the accepted standard of care. Necessary elements of this cause of action include proof:
  - of failure to exercise that degree of care, skill, and learning expected of a reasonably prudent health care provider at that time in the profession or class to which he or she belongs acting in the same or similar circumstances; and
  - that such failure was the proximate cause of the injury.
- Breach of warranty, alleging that a provider promised the patient that the injury suffered would not occur.
- Failure to provide informed consent, alleging that injury resulted from health care to which the patient did not consent.

A hospital has an independent duty to exercise care in credentialing and granting practice privileges to providers.

Statutory Immunity Provisions. A variety of immunity provisions exist in statute, including immunity for:

- uncompensated emergency care at the scene of an emergency;
- uncompensated health care services provided at a community health care setting;
- gratuitous, good faith assistance provided at the scene of a boat collision;
- use of a defibrillator at the scene of an emergency;

- performance of duties by a poison center medical director or information specialist; and
- acts or omissions of paramedics and emergency medical technicians rendering emergency medical services under appropriate supervision.

Generally, the immunity afforded by these statutes does not extend to acts or omissions constituting gross negligence or willful or wanton misconduct.

Summary: A health care provider credentialing or granting practice privileges to other health care providers to deliver health care in response to an emergency is immune from civil liability arising out of the credentialing or granting of practice privileges if:

- the provider so credentialed or granted privileges was responding to an emergency; and
- the procedures used to credential or grant privileges were substantially consistent with the standards for granting emergency practice privileges adopted by the Joint Commission on the Accreditation of Health Care Organizations.

Acts or omissions constituting gross negligence or willful or wanton misconduct are not immunized.

The following definitions apply for purposes of this immunity:

- "Credentialing" means the collection, verification, and assessment of whether a health care provider meets relevant licensing, education, and training requirements.
- "Emergency" means an event or set of circumstances for which the Governor has proclaimed a state of emergency.
- "Health care provider" means:
  - the same as given the term in statutes governing actions for injuries resulting from health care, and includes persons licensed by the state to provide health care such as physicians, nurses, dentists, chiropractors, nurse practitioners, and others;
  - an employee or agent of a member of such a profession acting in the course and scope of his or her employment;
  - an entity, whether or not incorporated, facility, or institution employing, credentialing, or providing practice privileges to one or more such health care professionals, including, but not limited to, a hospital, ambulatory surgical facility, clinic, health maintenance organization, or nursing home, or an officer, director, employee, or agent thereof acting in the course and scope of his or her employment;
  - a pharmacist or pharmacy; or
  - in the event any of the above is deceased, his or her estate or personal representative.

Votes on Final Passage:

House	93	5
Senate	49	0

Effective: June 12, 2014

E2SHB 2493

C 125 L 14

Concerning current use valuation for land primarily used for commercial horticultural purposes.

By House Committee on Finance (originally sponsored by Representatives Wilcox, Tharinger, Buys, Lytton, Vick, Orcutt, Reykdal, Springer and Haigh).

House Committee on Agriculture & Natural Resources
House Committee on Finance
Senate Committee on Agriculture, Water & Rural Economic Development
Senate Committee on Ways & Means

Background: All property is subject to a property tax each year based on the property's highest and best use, unless a specific exemption is provided by law. The Washington Constitution authorizes agricultural, timber, and open space lands to be valued on the basis of their current use rather than fair market value.

The Open Space Taxation Act allows for current use valuations of qualifying farm and agricultural land, which includes:

- parcels 20 acres and larger devoted primarily to agricultural production;
- parcels five to 20 acres that generate gross income from the sale of agricultural products of $200 or more per acre in three years of each five-year period;
- parcels that are less than five acres that generate a gross income of at least $1,500 per year in three years of each five-year period; and
- lands whose use is compatible with agricultural purposes, so long as the compatible use lands do not exceed 20 percent of the land classified for farm and agricultural use, and the compatible use is necessary to the production, preparation or sale of an agricultural product.

In 2013 legislation was enacted that established certain conditions on the creation of new tax preferences. A default expiration date of 10 years for new tax preferences is required, unless the legislation specifies an alternate date. All new tax preference legislation must include a tax preference performance or legislative intent statement. Legislation that clarifies or makes technical amendments to existing tax preferences is not subject to the tax preference performance or legislative intent statement requirements.

Summary: Land used primarily for commercial horticulture is made eligible for the farm and agricultural land use

classification. Commercial horticulture practices that qualify land for the farm and agricultural use classification include the growing of various types of plants in containers, whether indoors or outdoors.

Commercial horticulture lands used to grow plants in containers must meet certain conditions in order to qualify for the farm and agricultural land use tax classification:

- Parcels that are smaller than 20 acres must meet the same income qualifications that apply to other lands that are classified for farm and agricultural uses.
- Lands smaller than five acres do not qualify if more than 25 percent of the land is open to the general public for on-site retail sales.
- Lands used primarily for the storage, care, or selling of plants purchased from other growers for resale do not qualify for the farm and agricultural land use tax classification.
- If more than 20 percent of commercial horticulture lands are covered by pavement, the paved area does not qualify for farm and agricultural land use tax classification unless the land otherwise qualifies under the Open Space Taxation Act as an incidental use compatible with farm and agricultural land use.

The inclusion of commercial horticulture within the definition of farm and agricultural land is declared to clarify an ambiguity in an existing tax preference, and to not require a performance statement or be subject to the default 10-year expiration date.

Votes on Final Passage:

House	98	0	
Senate	47	1	(Senate amended)
House	98	0	(House concurred)

Effective: June 12, 2014

HB 2515

C 14 L 14

Concerning the treatment of population enumeration data, including exempting it from public inspection and copying.

By Representatives Christian, S. Hunt, Kretz and Bergquist; by request of Office of Financial Management.

House Committee on Government Operations & Elections
Senate Committee on Governmental Operations

Background: Annexations. Annexations by cities and towns and annexations by code cities, while governed by separate statutes, share a common requirement for the annexing jurisdiction to determine the resident population of the territory to be annexed. Actual enumeration must be used to account for the population of a territory to be annexed if:

- the annexing city has a population of 10,000 or fewer inhabitants;
- the territory to be annexed consists entirely of one or more partial census blocks; or
- the annexation does not occur within the 12 months immediately following release of the 2010 federal decennial census data.

An annexing city may always choose to use actual enumeration to determine the population of territory to be annexed.

Population Determinations. Population determinations made through actual enumeration must be conducted in accordance with the practices and policies, and subject to the approval of, the Office of Financial Management (OFM), which uses the information supplied through the annexation process in annually calculating the population of all cities and towns in the state. State-shared revenues from the gasoline tax, liquor board profits, and the liquor excise tax are distributed to cities on the basis of population as determined by the OFM. For a city to have its population adjusted for an annexation for purposes of state-shared revenue distributions, the OFM must certify the annexation, after which it notifies the appropriate state agencies of the population change. For purposes of distributing funds based on the population of a county, the population must be determined by the most recent census, population estimate by the OFM, or special county census as certified by the OFM.

Summary: Enumeration data collected for the purposes of determining the population: (1) of annexed territory to a code city, or city or town; (2) for a county census; or (3) for allocation of funds or state moneys from any source, are confidential and exempt from public inspection and copying. The OFM must destroy enumeration data after it is used to produce the required population estimates.

Votes on Final Passage:

House	96	0
Senate	49	0

Effective: June 12, 2014

ESHB 2519

C 160 L 14

Concerning early education for children involved in the child welfare system.

By House Committee on Early Learning & Human Services (originally sponsored by Representatives Senn, Walsh, Kagi, Hunter, Roberts, Tharinger, Haigh, Goodman and Freeman).

House Committee on Early Learning & Human Services
House Committee on Appropriations
Senate Committee on Early Learning & K-12 Education
Senate Committee on Ways & Means

Background: Family Assessment Response. In 2012 the Children's Administration (CA) was directed to implement a differential response system, called the Family As-

sessment Response (FAR). A differential response system differs from a child protective services investigation. Investigations are often forensic in nature and involve conducting a series of interviews that have a specific objective, which is to identify child maltreatment or risk of child maltreatment. A differential response system, however, emphasizes family engagement, family assessment, and the well-being of the family unit. Additionally, parents receiving supportive services through a differential response system are not considered perpetrators of abuse or neglect and do not receive a disposition or legal finding. Under the FAR, families may receive an array of supportive services depending on the needs of the family. If required for child safety, some families may have access to child care services.

In September 2012 the federal government approved the CA's Title IV-E waiver application. Although the Title IV-E waiver does not provide access to new funding sources, the waiver does allow the CA to utilize federal dollars for services that were traditionally prohibited by certain provisions of Title IV-E of the Social Security Act. The Title IV-E waiver requires the CA to conduct and study a demonstration project. The demonstration project for Washington's Title IV-E waiver is the FAR.

The CA implemented the FAR in three offices: Aberdeen, Lynnwood, and Spokane (two zip codes: 99201 and 99207) in January 2014. The CA will implement the FAR in five additional offices in July of 2014. Pending funding, the target for statewide implementation is July 2016.

Early Achievers and Early Care and Education. In 2007 the quality rating and improvement system for the early care and education system in Washington, called the Early Achievers Program, was created. The Early Achievers Program establishes a common set of expectations and standards that define, measure, and improve the quality of early learning and care settings. There are five levels in the Early Achievers Program. All licensed or certified child care programs enter the program at level one. Participants advance to level two when they officially enroll in the Early Achievers program. At level two, participants are also required to complete several activities such as a self-assessment and trainings. At levels three, four, and five, Early Achievers participants are evaluated and assigned a rating.

The Early Childhood Education and Assistance Program (ECEAP) is the Washington State Preschool Program. The ECEAP serves families at or below 110 percent of the federal poverty level. Although the ECEAP prioritizes children who are four years old, by August 31, children who are three years old are also eligible for the program. In addition to preschool programming, the ECEAP also provides family support and health services. The stated goal of the ECEAP is to help ensure children enter kindergarten ready to succeed.

The Working Connections Child Care Program (WCCC) offers subsidies to child care providers serving families at or below 200 percent of the federal poverty level. The state pays part of the cost of child care. The parents or caregivers are responsible for making a copayment to the child care provider. Both child care centers and family home providers are able to receive working connections child care subsidy payments. Children of families receiving WCCC benefits are required to be less than 13-years-of-age or less than 19-years-of-age and have a verified special need or be under court supervision. The Department of Early Learning (DEL) sets child care subsidy policy and provides WCCC oversight for child care licensing. The Department of Social Health Services helps families apply for the WCCC, determines eligibility and parent or caregiver copayments, authorizes child care, and issues payment to providers.

Summary: A FAR worker is required to assess for child safety and child well-being when collaborating with a family to determine the need for child care, preschool, or home visiting services. Additionally, the FAR worker must refer children to preschool programs that are enrolled in the Early Achievers Program and rate at a level three, four, or five unless there are no local preschool programs that rate at a three, four, or five in the Early Achievers Program; the local preschool program that rates at a level three, four, or five in the Early Achievers Program is not able to meet the needs of the child; or the child is attending a preschool program prior to participating in the FAR and the parent or caregiver does not want the child to change preschool programs. The FAR worker may also make child care referrals for non-school aged children to licensed child care programs that rate at a level three, four, or five in the early achievers program.

Family assessment response workers are required to provide referrals to high-quality child care and early learning programs and state and federally subsidized programs as appropriate. Prior to closing the FAR case, the FAR worker must discuss child care and early learning services with a parent or caregiver as appropriate. If the family plans to use child care or early learning services, the FAR worker must work with the family to facilitate enrollment.

The Department of Social and Health Services and the Department of Early Learning are required to develop recommendations on methods by which the agencies can better partner to ensure children involved in the child welfare system have access to early learning services and developmentally appropriate child care services. The recommendations are due to the Governor and appropriate legislative committees no later than December 31, 2014.

Children receiving child protective services or family assessment response services may be included in the definition of an eligible child for the ECEAP, if appropriations for this specific purpose are provided.

Votes on Final Passage:

House	90	8	
Senate	46	2	(Senate amended)
House	81	17	(House concurred)

Effective: June 12, 2014
June 30, 2018 (Section 4)

SHB 2544
C 18 L 14

Concerning newborn screening.

By House Committee on Health Care & Wellness (originally sponsored by Representatives Riccelli, Holy, Bergquist, Ormsby, Manweller, Christian, Green, Pettigrew and Kretz).

House Committee on Health Care & Wellness
Senate Committee on Health Care

Background: Newborn infants are screened for several inherited genetic disorders that may lead to death or disability without early interventions. Hospitals must obtain sample blood specimens from each newborn prior to discharge or within five days of birth if the newborn has not been discharged by that time. Samples must be forwarded to the Washington State Public Health Laboratory no later than the day after their collection. Upon receipt of a sample, the Department of Health (Department) performs screening tests for 28 types of disorders. The Department must report any laboratory test results indicating a suspicion of abnormality to the infant's attending physician.

In 2012, of the 86,180 births in Washington that were subject to newborn screening requirements, a genetic disorder was detected by the Department in 209 infants.

Summary: Hospitals and health care providers attending out-of-hospital births must collect sample blood specimens and submit them to the Department for all newborns within 48 hours of birth. The sample must be received by the Department within 72 hours of the collection of the sample, excepting any days that the Washington State Public Health Laboratory is closed.

If the Department notifies an infant's attending health care provider that a screening test indicates a suspicion of abnormality, the attending physician must notify the Department of the date when the parents or guardians were informed of the results.

The Department must compile an annual report regarding the compliance rate of hospitals at meeting the deadlines for newborn screenings and the promptness of health care providers at informing parents and guardians about screening tests that indicate a suspicion of abnormality. The report must be published annually and must identify the performance of each individual hospital.

The results notification reporting requirement for attending health care providers and the compliance rate reporting requirement for the Department expire January 1, 2020.

Votes on Final Passage:

House	93	5
Senate	48	0

Effective: June 12, 2014

HB 2547
C 15 L 14

Providing for the creation of a less than countywide port district within a county containing no port districts.

By Representatives Ormsby, Manweller, Riccelli, Warnick and Parker.

House Committee on Local Government
Senate Committee on Governmental Operations

Background: Port districts may encompass an entire county, or may be less than countywide. Port districts are authorized for acquisition, construction, maintenance, operation, development, and regulation of harbor, rail, air, or motor vehicle transfer and terminal facilities, as well as for industrial and commercial development. The creation of less than countywide port districts was authorized by the Legislature in 1992. A less than countywide port district must have an assessed value of at least $150 million and be in a county that already has a port district.

To create a less than countywide port district, a petition must be filed with the county auditor. The petition must describe the boundaries of the proposed port district, designate whether there will be three or five commissioners, propose districts if the commissioners will be elected by district, and provide a name for the proposed port district. The petition must be signed by voters residing within the proposed port district equal to at least 10 percent of the voters who voted at the last county general election.

A public hearing on the proposed port district must be held by the county legislative authority. After the hearing, the county legislative authority may make changes to proposed boundaries as long as the changes are determined to be in the public interest. If the county determines that the creation of the district is in the public's interest, the county legislative authority must submit a ballot proposition authorizing the formation of the port district to the voters of the proposed port district. The port district is created if a majority of voters voting on the measure approve the creation proposal. Initial port commissioners are elected at the same election.

Summary: Prior to December 31, 2020, a less than countywide port district with an assessed value of $150 million or more may be created in a county without a port district. The initial port commissioners may be elected at the general election after voter approval of the ballot proposition authorizing the creation of the port district.

Votes on Final Passage:

House	95	2
Senate	48	1

Effective: June 12, 2014

HB 2555
C 19 L 14

Concerning finalists for design-build contracts.

By Representatives Dunshee and Tarleton.

House Committee on Capital Budget
Senate Committee on Governmental Operations

Background: Capital Projects Advisory Review Board. In 2005 the Capital Projects Advisory Review Board (CPARB) was established to monitor and evaluate the use of traditional and alternative public works contracting procedures and to evaluate potential future use of other alternative contracting procedures. The CPARB also provides a forum in which best practices and concerns about alternative public works contracting can be discussed.

The CPARB consists of 23 members, including four legislative members: two from the House of Representatives, appointed by the Speaker of the House, and two from the Senate, appointed by the President of the Senate.

Alternative Contracting Procedures. Alternative forms of public works were first used on a very limited basis and then adopted in statute in 1994 for certain pilot projects. These alternative procedures included a design-build process.

With some restrictions, the use of alternative public works contracting procedures are authorized to a limited number of public entities.

Public works contracts of a large dollar amount that meet certain criteria and have been approved by the CPARB may be awarded through alternative contracting procedures in which the selection of a contractor is based on factors other than low bid. Design-build is an alternative contracting method that melds design and construction activities into a single contract. General Contractor/ Construction Manager (GCCM) is an alternative contracting method that utilizes the services of a project management firm that bears significant responsibility and risk in the contracting process. Under a job order contract, a contractor agrees to perform an indefinite quantity of public works jobs, defined by individual work orders, over a fixed period of time.

Design-Build. The design-build procedure is a multistep competitive process to award a contract to a single firm that agrees to both design and build a public facility that meets specific criteria. It may be used on projects valued over $10 million and projects between $2 million and $10 million under certain conditions. Contracts for design-build services are awarded through a competitive process using public solicitations of proposals. Finalists' proposals are evaluated solely on factors identified in the request for proposals.

Public Records Act. Generally, all proceedings, records, contracts, and other public records relating to alternative public works transactions are public records and available for public inspection and copying. However, trade secrets or other proprietary information submitted by a bidder, offeror, or contractor are not subject to public inspection and copying under the Public Records Act if the bidder, offeror, or contractor specifically state in writing the reasons why protection is necessary and identifies the data or materials to be protected.

Summary: Building performance goals and validation requirements are required in the requests for proposals that the public body issues for design-build services.

Design-build proposals are exempt from disclosure until the highest scoring finalist has been selected, rather than when a contract agreement has been executed.

Votes on Final Passage:

House	97	0	
Senate	49	0	(Senate amended)
House	96	0	(House concurred)

Effective: June 12, 2014

SHB 2567
C 20 L 14

Concerning the approval of minutes from meetings of homeowners' associations.

By House Committee on Judiciary (originally sponsored by Representatives Zeiger, Morrell, Rodne and Jinkins).

House Committee on Judiciary
Senate Committee on Financial Institutions, Housing & Insurance

Background: A homeowners' association (HOA) is a legal entity with membership comprised of the owners of residential real property located within a development or other specified area. An HOA typically arises from restrictive covenants recorded by a developer against property in a subdivision. In general, the purpose of an HOA is to manage and maintain common areas and structures, review designs, and maintain architectural control.

A board of directors, elected by the members, manages the HOA. An annual meeting must be held each year, and special meetings may be called.

Summary: An HOA must make meeting minutes available to owners of record for examination and copying not more than 60 days after a meeting. Minutes of the previous HOA meeting must be approved at the next meeting in accordance with the HOA's governing documents.

Votes on Final Passage:

House	97	0
Senate	49	0

Effective: June 12, 2014

E2SHB 2569
C 74 L 14

Reducing air pollution associated with diesel emissions.

By House Committee on Appropriations Subcommittee on General Government & Information Technology (originally sponsored by Representatives Hargrove and Pollet).

House Committee on Environment
House Committee on Appropriations Subcommittee on General Government & Information Technology
House Committee on Capital Budget
Senate Committee on Energy, Environment & Telecommunications

Background: Diesel exhaust is an air pollutant commonly emitted from a variety of vehicles, equipment, and power generation infrastructure. As part of an air quality program initiative to reduce diesel emissions, the Department of Ecology (DOE) makes grants to local governments and certain private entities for diesel emission reduction projects. Eligible diesel emission reduction projects include diesel engine retrofit or replacement projects and projects which reduce emissions from diesel engine idling. Current grant program projects specifically targeted to reducing diesel engine idling include the electrification of parking spaces, truck stops, and port infrastructure, and the integration of automatic engine start/stop technologies into vehicles.

Summary: The Diesel Idle Reduction Account (Account) is established. The DOE may use funds in the Account to make low or no interest loans for diesel idle emission reduction projects. Loans may be issued to state, local, and other governments that own diesel equipment or vehicles. The DOE must select loan recipients based on their projects' environmental, human health, and greenhouse gas benefits. As a whole, the value of the loans must equal Account receipts over a long-term planning horizon. The DOE must integrate its loan program administration, to the extent practical, with existing diesel grant program administration.

The Account may receive appropriations and repayments of loans. Interest earned on funds in the Account accrues to the Account.

Loans may only be invested by recipients in equipment or vehicles that spend at least half of their operating time in Washington. Acceptable types of diesel idle reduction projects include the electrification of parking spaces and truck stops, power connection systems for vessels and locomotives, projects that replace diesel engines or power systems with compressed or liquefied natural gas systems, and battery powered heating and air conditioning systems.

The DOE is given contingent rule-making authority, which vests once the Legislature appropriates money into the Account.

Votes on Final Passage:

House	92	5	
Senate	49	0	(Senate amended)
House	94	4	(House concurred)

Effective: June 12, 2014
Contingent (Section 6)

E2SHB 2572
PARTIAL VETO
C 223 L 14

Concerning the effectiveness of health care purchasing and transforming the health care delivery system.

By House Committee on Appropriations (originally sponsored by Representative Cody; by request of Governor Inslee).

House Committee on Health Care & Wellness
House Committee on Appropriations
Senate Committee on Health Care
Senate Committee on Ways & Means

Background: Procurement of State-Purchased Health Care. The Health Care Authority (HCA) and the Department of Social and Health Services (DSHS) purchase medical assistance, mental health services, long-term care case management services, and chemical dependency treatment services from several types of entities that coordinate with providers to deliver the services to clients.

- *Medical Assistance*. Medical assistance is available to eligible low-income state residents and their families from the HCA, primarily through the Medicaid program. Coverage is provided through fee-for-service and managed care systems. Managed care is a prepaid, comprehensive system of medical and health care delivery. Healthy Options is the HCA Medicaid managed care program for low-income people in Washington. Healthy Options offers eligible families, children under age 19, low-income adults, certain disabled individuals, and pregnant women a complete medical benefits package.
- *Regional Support Networks*. The DSHS contracts with regional support networks to oversee the delivery of mental health services for adults and children who suffer from mental illness or severe emotional disturbance. The regional support networks contract with local providers to provide an array of mental health services, monitor the activities of local providers, and oversee the distribution of funds under the state managed care plan.
- *County Chemical Dependency Programs*. The DSHS contracts with counties to provide outpatient chemical dependency treatment services, either directly or by subcontracting with certified providers. The DSHS contracts directly with providers for residential treatment services.

Several other state agencies, including the Department of Labor and Industries and the Department of Corrections, also purchase health care services.

All-Payer Claims Databases. Several states have established all-payer claims databases to collect claims information from public and private payers. Payers may include health carriers, third-party administrators, pharmacy benefit managers, Medicaid agencies, and public employee health benefit programs. Generally, the databases collect medical, pharmacy, and dental claims data, as well as information about eligibility, benefit design, and providers. In Washington, the Washington Health Alliance maintains a voluntary all-payer claims database.

In September 2013 the Office of Financial Management received a federal grant to expand collection and analysis of medical claims data from multiple payers, complete an information technology infrastructure assessment, develop web-enabled analytic capabilities to provide access to health pricing data, and develop a state website that integrates price and quality information.

State Health Care Innovation Plan. The Affordable Care Act established the Center for Medicare and Medicaid Innovation (CMMI) within the Centers for Medicare and Medicaid Services to test innovative payment and service delivery models without reducing the quality of care. As part of the State Innovation Models Initiative, Washington received approximately $1 million from the CMMI to continue work on the State Health Care Innovation Plan (Innovation Plan). The Innovation Plan includes three strategies:

- encourage value-based purchasing, beginning with state-purchased health care;
- build healthy communities through prevention and early mitigation of disease; and
- improve chronic illness care through better integration of care and social supports, in particular for people with both physical and behavioral health issues.

Joint Select Committee on Health Care Oversight. In 2013 the Joint Select Committee on Health Care Oversight (Joint Select Committee) was established by a concurrent resolution. The Joint Select Committee provides oversight between the HCA, the Health Benefit Exchange, the Office of the Insurance Commissioner, the Department of Health, and the DSHS. The goals of the Joint Select Committee are to ensure that these entities do not duplicate efforts and that they work toward a goal of increased quality of services, leading to reduced costs to health care consumers. The Joint Select Committee expires December 31, 2017.

Summary: State Health Care Innovation Plan. The Health Care Authority (HCA) is responsible for coordinating, implementing, and administering interagency efforts and local collaborations to implement the State Health Care Innovation Plan (Innovation Plan). Prior to submitting an application for Innovation Plan funding, the HCA must consult a neutral actuarial firm not currently contracted with the agency to review the estimated savings and present the actuarial information and the plan to the Joint Select Committee on Health Care Oversight (Joint Select Committee). The Joint Select Committee must review the application in a timely fashion to enable the application, if approved, to be submitted within the required time frame. The grant application may not commit the state to any financial obligations beyond the grant amount. All federally required reporting related to a grant award must be shared with the Joint Select Committee when it is submitted to the federal government.

By January 1, 2015, and each January 1 through 2019, the HCA must coordinate and issue a status report to the Legislature summarizing actions taken to implement the Innovation Plan, progress toward achieving the aims of the Innovation Plan, anticipated future implementation efforts, and any recommendations for legislation.

Joint Select Committee on Health Care Oversight. The Joint Select Committee is established in statute as a continuation of the committee created in 2013. Its membership consists of the chairs of the health care committees of the Senate and the House of Representatives, four additional members of the Senate (two each appointed by the two largest political parties in the Senate), and four additional members of the House of Representatives (two each appointed by the two largest political parties in the House of Representatives). The Governor may appoint a liaison to serve as a non-voting member.

The Joint Select Committee provides oversight between the HCA, the Health Benefit Exchange, the Office of the Insurance Commissioner, the Department of Health (DOH), and the Department of Social and Health Services (DSHS) to ensure that they do not duplicate efforts and that they work toward a goal of increased quality of services, leading to reduced costs to health care consumers. The Joint Select Committee must, as necessary, propose legislation and budget recommendations to the Legislature. The section creating the Joint Select Committee expires December 31, 2022.

Health Extension Program. The DOH, subject to amounts appropriated, must establish a health extension program to provide training, tools, and technical assistance to health care providers. The program must emphasize high quality preventive, chronic disease, and behavioral health care that is comprehensive and evidence-based. The program must coordinate dissemination of resources that promote, among other things, integration of physical and behavioral health, clinical decision support, reports of the Robert Bree Collaborative, and identification of evidence-based models to effectively treat depression and other conditions in primary care settings. The DOH may adopt rules necessary to implement the program, but may not adopt rules, policies, or procedures beyond the identified scope of authority.

Communities of Health. The HCA, subject to amounts appropriated, must award grants to support the

development of two pilot projects for communities of health. A community of health is a regionally based, voluntary collaborative, the purpose of which is to align actions to achieve healthy communities and populations, improve health care quality, and lower costs.

The HCA must develop a process for designating an entity as a community of health. An entity is eligible for designation if: (1) it is a nonprofit or public-private partnership, including those led by local public health agencies; (2) its membership incorporates key stakeholders; and (3) it demonstrates an ongoing capacity to lead health improvement activities and distribute resources from the DOH health extension program.

Grants may only be used for start-up costs. Criteria for awarding grants include whether the entity will provide matching funds, base decisions on public input and collaboration, and demonstrate capability for sustainability. Before grant funds are disbursed, the HCA and the applicant must agree on performance measures.

The HCA may adopt rules necessary to implement the requirements related to communities of health, but may not adopt rules, policies, or procedures beyond the identified scope of authority. The section related to communities of health expires July 1, 2020.

Standard Statewide Measures of Health Performance. A performance measures committee is established to identify and recommend standard statewide measures of health performance to inform health care purchasers and set benchmarks. Members of the committee must represent state agencies, small and large employers, health plans, federally recognized tribes, patient groups, consumers, academic experts, hospitals, physicians, and other providers. Members must represent diverse geographic locations and rural and urban communities. The Governor appoints members to the committee, except that statewide associations representing hospitals and physicians appoint those members. The chief executive officer of the lead organization also serves on the committee. The committee is chaired by the director of the HCA.

The committee must develop a transparent process to select performance measures, including an opportunity for public comment. By January 1, 2015, the committee must submit the measures to the HCA. The measures must include dimensions of prevention and screening, effective management of chronic conditions, key health outcomes, care coordination and patient safety, and use of the lowest cost, highest quality care for preventive care and acute and chronic conditions.

The committee must develop a measure set that:

- is of a manageable size;
- is based on readily available claims and clinical data;
- gives preference to nationally reported measures and, when those may not be appropriate, measures used by state agencies and commercial health plans;
- focuses on overall performance of the system;
- is aligned with the Governor's performance management system measures and common measure requirements specific to Medicaid delivery systems;
- considers needs of different stakeholders and populations; and
- is usable by multiple payers, providers, purchasers, public health, and communities.

State agencies must use the measure set to inform and set benchmarks for purchasing decisions. The committee must establish a public process to periodically evaluate and make additions or changes to the measure set.

Medicaid Procurement. The HCA and the DSHS 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 treatment, consistent with assumptions in Second Substitute Senate Bill No. 6312 (2014) and recommendations of the Behavioral Health Task Force. The HCA and the DSHS may develop and use innovative mechanisms to promote and sustain integrated clinical models of physical and behavioral health care. The agencies may incorporate specified principles into their Medicaid procurement efforts, including:

- Medicaid purchasing must support delivery of integrated care that addresses the spectrum of individuals' health needs in the context of their communities and with the availability of care continuity as their health needs change.
- Active purchasing and oversight of Medicaid managed care contracts is a state responsibility.
- Evidence-based care interventions and continuous quality improvement must be enforced through contract specifications and performance measures.

The principles are not intended to create an individual entitlement to services.

In addition, the HCA is required to 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.

Statewide All-Payer Health Care Claims Database. The Office of Financial Management (OFM) must establish a statewide all-payer health care claims database. The database must support transparent public reporting of health care information to: assist patients, providers, and hospitals to make informed choices about care; enable providers, hospitals, and communities to benchmark their performance; enable purchasers to identify value, build expectations into their purchasing strategies, and reward improvements over time; and promote competition based on quality and cost. The Legislature finds that the benefit of collaboration among purchasers and providers, together with active state supervision, outweighs potential adverse impacts. Therefore, the Legislature intends to exempt and

provide immunity from antitrust laws for certain activities undertaken, reviewed, and approved by the OFM.

Lead Organization. The OFM Director selects a lead organization to coordinate and manage the database, and the lead organization is responsible for collecting claims data and reporting performance on cost and quality. At the direction of the OFM, the lead organization must:

- be responsible for internal governance, management, funding, and operations;
- design collection mechanisms with consideration for time, cost, and benefits;
- ensure protection of collected data;
- make information from the database available as a resource;
- develop policies to ensure quality of data releases;
- develop a plan for financial sustainability and charge fees up to $5,000 (unless otherwise negotiated), with any fees comparable across data requests and users and approved by the OFM; and
- appoint advisory committees on data policy and the data release process.

The lead organization governance structure and advisory committees must include representation of the third-party administrator for the Uniform Medical Plan. A payer, health maintenance organization, or third-party administrator must be a data supplier to be represented on the lead organization governance structure or advisory committees.

Submissions to the Database. Data suppliers must submit claims data to the database within the time frames established by the Director of the OFM and in accordance with procedures established by the lead organization. "Claims data" include: (1) claims data related to health care coverage and services funded in the operating budget, including coverage and services funded by appropriated and non-appropriated state and federal moneys, for Medicaid programs and the Public Employees Benefits Board program; and (2) claims data voluntarily provided by other data suppliers, including carriers and self-funded employers. An entity that is not a data supplier but that chooses to participate in the database must require any third-party administrator to release any claims data related to persons receiving health coverage from the entity's plan. Data suppliers must submit an annual status report to the OFM regarding their compliance, and this information must be included in the HCA's report to the Legislature regarding implementation of the Innovation Plan.

Reports. Under the supervision of the OFM, the lead organization must use the performance measures and the database to prepare health care data reports. Prior to releasing reports that use claims data, the lead organization must submit the reports to the OFM for review and approval. Reports must assist the Legislature and the public by reporting on whether providers and systems deliver efficient, high-quality care, as well as geographic and other variations in care and costs. Measures in the reports should be stratified to identify disparities and efforts to reduce disparities, and comparisons of costs among systems must account for differences in acuity of patients, the cost impact of subsidization, and teaching expenses when feasible with available data.

The lead organization may not publish data or reports that directly or indirectly identify patients or disclose specific reimbursement arrangements between a provider and a payer. In addition, the lead organization may not compare performance in a report generated for the general public that includes any provider in a practice with fewer than five providers. The OFM and the lead organization may use claims data to identify and make available information on payers, providers, and facilities, but may not use claims data to recommend or incentivize direct contracting. The lead organization may not release a report comparing or identifying providers, hospitals, or data suppliers unless it allows them to verify the accuracy of the information and submit corrections within 45 days and unless it corrects errors.

The lead organization must ensure that no individual carrier or self-insured employer using the carrier's provider contracts comprises more than 25 percent of the claims data used in any report or other analysis generated from the database.

Use of Data. Data provided to the database, the database itself, and raw data received from the database are not public records within the meaning of the Public Records Act and are exempt from public disclosure. Data obtained through activities related to the database and performance measures are not subject to subpoena in a civil, criminal, judicial, or administrative proceeding, and a person with access to the data may not be compelled to testify.

The OFM must direct the lead organization to maintain the confidentiality of the data it collects for the database that include direct or indirect patient identifiers. Any agency, researcher, or other person who receives data with patient identifiers must also maintain confidentiality and may not release the information except as consistent with the requirements of the act.

Data must be made available within a reasonable time after request. Data with direct or indirect patient identifiers, as specifically defined in rule, may be released to: (1) federal, state, and local government agencies upon receipt of a signed data use agreement; and (2) researchers with approval of an institutional review board upon receipt of a signed confidentiality agreement. Data with indirect patient identifiers may be released to an agency, researcher, and other person upon receipt of a signed data use agreement. Data that do not contain direct or indirect patient identifiers may be released upon request. "Direct patient identifier" means information that identifies a patient, and "indirect patient identifier" means information that may identify a patient when combined with other information.

Recipients of data with patient identifiers must agree in a data use agreement and confidentiality agreement to, at a minimum, take steps to protect patient identifying information and not re-disclose the data except as authorized in the agreement or as otherwise required by law. Recipients of data may not attempt to determine patients' identity or use the data in a manner that identifies the individuals or their families.

The Insurance Commissioner may not use data acquired from the database for purposes of reviewing insurance rates, but the Insurance Commissioner's authority to access data from any other source for rate review is not otherwise curtailed, even if that data may have been separately submitted to the database.

Administration. The OFM may adopt rules as necessary to implement and enforce requirements related to the database, including:

- definitions of claim and data files that data suppliers must submit, including: files for covered medical services, pharmacy claims, and dental claims; member eligibility and enrollment data; and provider data;
- deadlines for submitting claim files and penalties for failure to submit claim files;
- procedures for ensuring data are securely collected and stored in compliance with law; and
- procedures for ensuring compliance with privacy laws.

Votes on Final Passage:

House	55	41	
Senate	32	17	(Senate amended)
House	70	27	(House concurred)

Effective: June 12, 2014

Partial Veto Summary: Vetoes the provision requiring the HCA to coordinate efforts to implement the State Health Care Innovation Plan, submit information to the Joint Select Committee, and prepare an annual report. Vetoes the provision prohibiting the Office of the Insurance Commissioner from using data from the all-payer claims database to review rates.

VETO MESSAGE ON E2SHB 2572

April 4, 2014

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

Ladies and Gentlemen:

I am returning herewith, without my approval as to Sections 2 and 16, Engrossed Second Substitute House Bill No. 2572 entitled:

"AN ACT Relating to improving the effectiveness of health care purchasing and transforming the health care delivery system by advancing value-based purchasing, promoting community health, and providing greater integration of chronic illness care and needed social supports."

This measure, the Health Care Purchasing bill, directs the state to purchase care more effectively by integrating behavioral health with physical health care, begins a process to bring transparency to health care costs, and supports communities as they identify and address local health problems.

However, I am vetoing the following sections:

Section 2 - The intent of the section is commendable, but I am dedicated to LEAN management and there is duplication of actuarial work required. Also, there is a question of appropriate legislative oversight. To ensure the spirit of this section is accomplished, I have instructed the Health Care Authority to comply with the elements in this section.

Section 16 - This section involves the Office of the Insurance Rate Review process. The Office of the Insurance Commissioner has worked out this process with the interested parties, so this provision is unnecessary.

For these reasons I have vetoed Sections 2 and 16 of Engrossed Second Substitute House Bill No. 2572.

With the exception of Sections 2 and 16, Engrossed Second Substitute House Bill No. 2572 is approved.

Respectfully submitted,

Jay Inslee
Governor

HB 2575

C 161 L 14

Requiring that certain teacher assignment and reassignment data be included in data submitted to the office of the superintendent of public instruction.

By Representatives Bergquist, Dahlquist, Stonier and Santos; by request of Professional Educator Standards Board.

House Committee on Education
Senate Committee on Early Learning & K-12 Education

Background: The Professional Educator Standards Board (PESB) maintains the state's system of educator preparation and certification. Legislation enacted in 2010 also directed the PESB to convene regional meetings of school districts and educator preparation programs to examine data and discuss topics related to educator workforce supply and demand. In its first report on this topic, the PESB concluded that many school districts do not finalize hiring of new teachers until August or September. Some wait to finalize contracts until after the start of the school year and instead rely on substitute teachers for an indeterminate duration.

The full extent of late hiring practices in Washington is not known. School districts are currently required to record in the statewide student data system the certification number for each teacher assigned to each class, along with the students enrolled in that class. However, the date the teacher is assigned to the class is not recorded.

Summary: No later than the beginning of the 2014-15 school year, school districts must report the dates of teacher assignment and reassignment in the statewide student data system.

Votes on Final Passage:

House	92	6
Senate	49	0

Effective: June 12, 2014

E2SHB 2580

C 127 L 14

Fostering economic resilience and development in Washington by supporting the maritime industry and other manufacturing sectors.

By House Committee on Appropriations Subcommittee on General Government & Information Technology (originally sponsored by Representatives Tarleton, Haler, Fey, Wylie, Seaquist, Pollet, Ryu and Carlyle).

House Committee on Technology & Economic Development
House Committee on Appropriations Subcommittee on General Government & Information Technology
Senate Committee on Trade & Economic Development

Background: Washington State is the home of an established maritime industry. The industry includes several core sectors, including, for example, passenger water transportation, ship and boat building, maintenance and repair, maritime logistics and shipping, fishing and seafood processing, and military and federal operations.

Summary: The Joint Legislative Task Force on the Economic Resilience of Maritime and Manufacturing in Washington (Task Force) is created. The Task Force is composed of 13 members as follows:

- six members from the House of Representatives, including three from each caucus appointed by the Speaker of the House;
- six members from the Senate, including three from each caucus appointed by the President of the Senate; and
- one member representing the Department of Commerce appointed by the Governor.

The legislative members of the Task Force must select co-chairs from among the membership, one from the House of Representatives and one from the Senate. The co-chairs must appoint an advisory committee to provide technical information and assistance to the Task Force. The advisory committee membership must include representatives of maritime terminal operators, manufacturing, maritime business, local industrial councils, local labor trades councils, and chambers of commerce. In addition to the advisory committee, the Task Force must also consult with specified state agencies, local government interests, and private sector interests.

The Task Force is required to achieve the following objectives:

- identify the maritime and manufacturing sectors of economic significance to the state;
- identify and assess the critical public infrastructure that supports and sustains the maritime and manufacturing sectors;
- identify the barriers to maintaining and expanding the maritime and manufacturing sectors;
- identify and assess the educational resources and support services available to local governments with respect to supporting and sustaining the development of maritime and manufacturing sectors;
- promote regulatory consistency and certainty in the areas of urban planning, land use permitting, and business development in a manner that encourages maritime and manufacturing industries in urban areas;
- encourage cooperation between the public and private sectors to foster economic growth;
- explore public-private sector collaborations that draw on Washington State University research centers and institutes with expertise on maritime interoperability and critical infrastructure resilience;
- identify aspects of state policy that have an impact on fostering resilience and growth in maritime manufacturing sectors, such as storm water policy and other food fish related issues; and
- maximize the opportunities for employment in the maritime industry and other manufacturing sectors in Washington.

The Task Force must develop recommendations that include short-term and long-term action plans for the Legislature to support and sustain the maritime industry and other manufacturing sectors. The Task Force must submit a work plan by December 1, 2014, and final findings and recommendations by November 1, 2015, to the Governor and the appropriate committees of the Legislature.

Votes on Final Passage:

House	93	4	
Senate	49	0	(Senate amended)
House	95	3	(House concurred)

Effective: June 12, 2014

HB 2585

C 75 L 14

Concerning income eligibility for temporary assistance for needy families benefits for a child.

By Representatives Walsh and Pettigrew; by request of Department of Social and Health Services.

House Committee on Early Learning & Human Services
House Committee on Appropriations Subcommittee on Health & Human Services
Senate Committee on Human Services & Corrections
Senate Committee on Ways & Means

Background: In 2011 the Department of Social and Health Services (DSHS) was required to establish income eligibility rules for nonparental caregivers receiving a child-only Temporary Assistance for Needy Families (TANF) grant. A caregiver with an income above 300 per-

cent of the federal poverty level is not eligible for child-only TANF benefits for a child residing with a caregiver who is not a foster child. In 2012 300 percent of the federal poverty level for a family of three was $58,590.

The DSHS only counts 50 percent of an individual's gross earned income to determine eligibility and benefit level.

Summary: The DSHS may exempt 50 percent of a caregivers unearned income when determining TANF eligibility and benefit standards for a child, who is not a foster child, who is residing with a caregiver other than his or her parents. Unearned income is defined as income received from a source other than employment or self-employment.

Votes on Final Passage:

House	97	0
Senate	48	0

Effective: June 12, 2014

SHB 2612

C 208 L 14

Changing provisions relating to the opportunity scholarship.

By House Committee on Appropriations Subcommittee on Education (originally sponsored by Representatives Hansen, Haler, Zeiger and Seaquist).

House Committee on Higher Education
House Committee on Appropriations Subcommittee on Education
Senate Committee on Higher Education
Senate Committee on Ways & Means

Background: In 2011 legislation was enacted that established the Opportunity Scholarship Program (Program) to support low and middle-income resident students pursuing eligible high-demand majors in science, technology, engineering, mathematics, and health care and to encourage scholarship recipients to work in the state upon completion of their degrees.

The Program is overseen by the Opportunity Scholarship Board (Board), which consists of seven members appointed by the Governor. For two of the appointments, the Governor must consider names submitted by the leadership of the Senate and the House of Representatives. For four of the appointments, the Governor must consider foundation or business and industry representatives from aerospace, manufacturing, health sciences, information technology, and other industries nominated by private-sector donors. Five members of the Board constitute a quorum for the transaction of business.

The Program Administrator manages two separate accounts to: (1) receive grants and contributions from private sources and state matching funds; and (2) distribute scholarship funds to participants. The accounts are:

- the Scholarship Account, from which scholarship monies are disbursed; and
- the Endowment Account, from which scholarship monies are disbursed only in certain circumstances.

The Opportunity Scholarship Match Transfer Account (Match Transfer Account) is a nonappropriated account, in the custody of the State Treasurer, used to provide matching funds for the Program.

Scholarships must be disbursed on May 1, annually. However, no new scholarships may be awarded, unless the Office of Financial Management (OFM) reports that the state has demonstrated progress toward the goal of per-student funding levels, from state appropriations plus tuition and fees, of at least the sixtieth percentile of total per-student funding at similar public institutions of higher education in the Global Challenge States.

The Washington State Investment Board (WSIB) has a fiduciary duty to manage public trust funds with the highest standard of professional conduct for the exclusive benefit of fund beneficiaries.

Summary: The membership of the Board is increased to 11 members as follows:

- six, rather than three, members are appointed by the Governor with three of the names to be submitted by leadership in the Senate and the House of Representatives; and
- five, rather than four, members are appointed by the Governor from foundation or business and industry. The list of industries from which representatives may be appointed is updated to include engineering, agriculture, philanthropy, and health care, rather than health sciences.

The quorum requirement is increased to seven members.

The date for the annual disbursements of scholarship funds is changed from May 1 to October 1.

The OFM, when determining whether the state has demonstrated progress toward meeting the sixtieth percentile of Global Challenge States for total funding per student, must use resources that facilitate measurement and comparisons of the most recently completed academic year, including the statewide public four-year dashboard on the Education Data and Resource Center's website and academic year reports prepared by the State Board for Community and Technical Colleges.

The Board may have the WSIB invest funds in the Scholarship and Endowment Accounts with other funds subject to investment by the WSIB. Members of the WSIB are not insurers of the funds and are not liable for action or inaction, unless they act with willful dishonesty or intentional violation of the law.

The state acts in a fiduciary, rather than ownership, capacity once monies in the Match Transfer Account are deposited in the Scholarship and Endowment Accounts, and

assets in these accounts are not considered state money, common cash, or revenue to the state.

The WSAC must enter into an agreement with the Program Administrator to demonstrate exchange of consideration for the matching funds.

Votes on Final Passage:

House	75	23	
Senate	45	4	(Senate amended)
House	62	36	(House concurred)

Effective: June 12, 2014

SHB 2613

C 162 L 14

Creating efficiencies for institutions of higher education.

By House Committee on Higher Education (originally sponsored by Representatives Gregerson, Zeiger, Seaquist, Haler, Morrell, Pollet and Jinkins).

House Committee on Higher Education
House Committee on Capital Budget
Senate Committee on Higher Education
Senate Committee on Ways & Means

Background: Financial Aid to Mitigate Tuition Increases. Legislation enacted in 2011 that temporarily removed the cap the Legislature placed on tuition increases for public baccalaureate institutions also required institutions to report on methods used to mitigate the impact of tuition increases. In addition, institutions are required to report the additional financial aid received by students in the aggregate and per-student, and for middle-income and low-income students.

Report on the Impact of Tuition Increases. The Joint Legislative Audit and Review Committee (JLARC) is directed to conduct an audit of the impact of tuition-setting authority on student access, affordability, and institutional quality. The JLARC submitted a project update to the Legislature on January 7, 2014. The final report must include recommendations on whether to continue providing authority to the public baccalaureate institutions to set their own tuition rates beyond the 2018-19 academic year.

Performance Accountability Information. Legislation enacted in 2011 that provided the public baccalaureate institutions with temporary authority to set tuition, also required certain kinds of accountability information. The institutions are required to report by December 1 annually on performance data and this information must be displayed on the Office of Financial Management's (OFM) website maintained by the Education Research and Data Center, known as the Data Dashboard.

Each public baccalaureate institution must also develop a Performance Plan that is negotiated with the OFM and must include a minimum set of expected outcomes as follows:

- time and credits to degree;
- retention and success of students from low-income, diverse, or underrepresented communities;
- baccalaureate degree production for resident students; and
- degree production in high-employer demand programs of study and critical state need areas.

Pay Periods for State Employees. Pay periods for state employees are divided into two pay periods per month. All state officers and employees must be paid for services rendered from the first day of the month through the fifteenth day of the month and for services rendered from the sixteenth day of the month through the last calendar day of the month. Pay dates for these two pay periods are established by the Director of the OFM.

Predesigns for Capital Projects. A predesign is a decision-making tool that is required for all capital projects that exceed $5 million. The purpose of the predesign is to identify the facility need or problem to be addressed and provide an analysis of the options to meet the need or solve the problem. The predesign includes information about the space needs of the proposed program, alternatives to the preferred project, and estimated budget information. The predesign is often prepared by architectural consultants and usually includes a detailed space plan.

Summary: Only public baccalaureate institutions that raise tuition above the assumed levels in the Omnibus Appropriations Act must report to the Governor and the Legislature on the effectiveness of the various sources and methods of financial aid in mitigating tuition increases. The due date for public baccalaureate institutions to report financial aid mitigation for tuition increases is modified from August 15 to December 31.

Financial aid mitigation reporting requirements are adjusted as follows: institutions are required to report the total amount of financial aid provided to resident middle- and low-income students, rather than the amount of additional financial aid for all middle- and low-income students; and sources and methods of financial aid must be be reported for resident, undergraduate students, rather than all students.

The JLARC report on the impact of removing tuition setting authority must measure completion rather than institutional quality.

Public institutions of higher education are permitted to change payroll frequency from semimonthly to biweekly and prorate paychecks for faculty who are on nine-month appointments.

The predesign project limit for capital projects at institutions of higher education is increased from $5 million to $10 million.

Votes on Final Passage:

House	96	0	
Senate	49	0	(Senate amended)
House			(House refused to concur)
Senate	49	0	(Senate receded)

Effective: June 12, 2014

2SHB 2616

C 163 L 14

Concerning parents with developmental disabilities involved in dependency proceedings.

By House Committee on Appropriations (originally sponsored by Representatives Freeman, Walsh, Kagi, Roberts, Smith, Orwall, Tarleton and Pollet).

House Committee on Early Learning & Human Services
House Committee on Appropriations
Senate Committee on Human Services & Corrections
Senate Committee on Ways & Means

Background: When a child is ordered removed from the home of a parent, the Department of Social and Health Services (DSHS) or supervising agency assumes responsibility for developing a permanency plan no later than 60 days after assuming responsibility. The permanency planning process must include reasonable efforts to return the child to the home of the parent. The supervising agency must submit a written permanency plan to all parties and the court at least 14 days before the scheduled hearing.

The permanency plan must identify the primary goal of the case and may identify alternative goals. These goals could include returning the child to his or her parent, guardian, or legal custodian; adoption; guardianship; permanent legal custody; long-term relative or foster care; successful completion of a responsible living program; or independent living. Unless the court has ordered the filing of a petition to terminate parental rights, the plan must include what steps will be taken to return a child home. All aspects of the plan must include the goal of achieving permanence for the child.

The plan must further specify what services the parents will be offered to allow them to resume custody, the requirements parents must meet to resume custody, and a time limit for each service and requirement.

Summary: The DSHS shall make reasonable efforts to consult with the Developmental Disability Administration (DDA) to create an appropriate service plan for a parent with a developmental disability who is eligible for services through the DDA and whose child has been ordered removed from his or her home. For parents meeting the statutory definition of developmental disability who are eligible for services through the DDA, the service plan must be tailored to correct a parental deficiency taking into account a parent's disability, and the DSHS must determine the appropriate method to offer services based on the parents disability.

Votes on Final Passage:

House	98	0	
Senate	49	0	(Senate amended)
House	98	0	(House concurred)

Effective: June 12, 2014

ESHB 2626

PARTIAL VETO

C 209 L 14

Concerning statewide educational attainment goals.

By House Committee on Higher Education (originally sponsored by Representatives Seaquist, Haler, Reykdal, Gregerson, Pollet and Moscoso).

House Committee on Higher Education
Senate Committee on Higher Education

Background: The Washington Student Achievement Council. Legislation enacted in 2012 created the Washington Student Achievement Council (WSAC). The WSAC must propose higher education attainment goals, recommend resources, monitor progress, propose improvements and innovations in higher education to adapt to evolving needs, and advocate for the higher education system.

The WSAC is required to take a leading role in higher education research and analysis, and link the work of the Office of Superintendent of Public Instruction (OSPI), the State Board for Community and Technical College (SBCTC), the State Board of Education (SBE), the Professional Educator Standards Board (PESB), the Workforce Training and Education Coordinating Board (Workforce Board), public baccalaureate institutions, and independent schools and colleges.

State Higher Education Goals and Strategic Planning. The WSAC must propose educational attainment goals and priorities aligned with the state's biennial budget and policy cycles. 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.

The WSAC must identify the resources to meet statewide goals and recognize current state economic conditions and resources. In proposing goals, the WSAC must collaborate with the OSPI, the PESB, the SBE, the SBCTC, the public baccalaureate institutions, independent colleges and degree-granting institutions, certificate-granting institutions, and the Workforce Board.

The WSAC is required to create a two-year strategic action plan, to be updated every two years and a Ten-Year Roadmap, to be updated every two years. In order to conduct strategic planning the WSAC must collaborate with related agencies and stakeholders. Strategies must address:

- strategic planning, including setting benchmarks and goals for long-term degree production generally and in particular fields of study;

- expanding access, affordability, quality, efficiency, and accountability among the various institutions of higher education;
- higher education finance planning and strategic investments;
- system design and coordination;
- improving student transitions;
- higher education data and analysis, in collaboration with the Education Data and Research Center;
- college and career preparedness in collaboration with the OSPI and the SBE;
- expanding participation and success for racial and ethnic minorities in higher education; and
- relevant policy research.

The WSAC is charged with a variety of other duties including the administration of state financial aid, the regulation of for-profit, degree-granting institutions, and research.

WSAC Membership. The WSAC is comprised of nine voting members as follows:

- five citizen members appointed by the Governor with the consent of the Senate, one of which must be a student; citizen members must represent the diversity of the state and the state's geography; four citizen members serve four-year terms and the student serves a one-year term;
- a representative of the public baccalaureate institutions selected by the presidents of public baccalaureate institutions;
- a representative of the community and technical college system, selected by the SBCTC;
- a representative of the K-12 system selected by the OSPI in consultation with the Department of Early Learning and the SBE; this member must excuse himself or herself from voting on matters pertaining primarily to institutions of higher education; and
- a representative of an independent, nonprofit higher education institution selected by an association of independent nonprofit baccalaureate degree-granting institutions; this member must excuse him or herself from matters that pertain primarily to public institutions.

The WSAC is permitted to convene ad hoc advisory committees. Any advisory committees addressing secondary to postsecondary transitions and university and college admissions requirements must include K-12 sector representatives including teachers, school directors, principals, administrators, and others.

Summary: The Legislature finds that:

- increasing educational attainment is vital to the well-being of Washingtonians and critical to the health of the state's economy;
- education opens doors to gainful employment, higher wages, increased job benefits, improved physical health, and increased civic engagement;
- educated workers who are capable of competing for high-demand jobs in today's global economy sustain existing employers and attract new businesses;
- individuals with competitive higher education credentials directly contribute to the state's economic growth and vitality;
- workforce and labor market projections estimate that by 2020 the vast majority of jobs in Washington will require at least a high school diploma or equivalent and 70 percent of those jobs will also require some postsecondary education; and
- current levels of educational attainment are inadequate to address the educational needs of the state.

The Legislature recognizes that one of the most important duties of the WSAC is to propose educational attainment goals to the Governor and the Legislature and develop the Ten-Year Roadmap to achieve those goals, to be updated every two years.

The Legislature acknowledges the recommendations in the higher education Ten-Year Roadmap and is encouraged by the Washington Student Achievement Council's efforts to meet the following two goals in order to meet the societal and economic needs of the future:

1. all adults in Washington ages 25 to 44 will have a high school diploma or equivalent by 2023; and
2. at least 70 percent of Washington adults ages 25 to 44 will have a postsecondary credential by 2023.

The Act expires July 1, 2016.

Votes on Final Passage:

House	87	10	
Senate	49	0	(Senate amended)
House	96	2	(House concurred)

Effective: June 12, 2014

Partial Veto Summary: The intent section was vetoed.

VETO MESSAGE ON ESHB 2626

April 3, 2014

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

Ladies and Gentlemen:

I am returning herewith, without my approval as to Section 1, Engrossed Substitute House Bill No. 2626 entitled:

"AN ACT Relating to establishing statewide educational attainment goals."

With this legislation we are taking the important step of adopting post-secondary attainment goals for all Washingtonians.

Section 1 is an intent section that discusses the labor market and attainment statistics and is not necessary to interpret or implement the substantive provisions of the bill.

For these reasons I have vetoed Section 1 of Engrossed Substitute House Bill No. 2626.

With the exception of Section 1, Engrossed Substitute House Bill No. 2626 is approved.

Respectfully submitted,

Jay Inslee
Governor

2SHB 2627

C 128 L 14

Concerning individuals in the juvenile justice and criminal justice systems who suffer from chemical dependency.

By House Committee on Appropriations Subcommittee on Health & Human Services (originally sponsored by Representatives Roberts, Hayes, Moscoso, Robinson and Freeman).

House Committee on Public Safety
House Committee on Early Learning & Human Services
House Committee on Appropriations Subcommittee on Health & Human Services
Senate Committee on Human Services & Corrections

Background: The Division of Behavioral Health and Recovery (DBHR) of the Department of Social and Health Services (DSHS) provides state-funded chemical dependency treatment services for individuals who are low-income and assessed as alcohol or other drug dependent.

Involuntary Commitment. When a designated chemical dependency specialist receives information alleging that a person presents a likelihood of serious harm or is gravely disabled as a result of chemical dependency, the specialist may file a commitment petition with a court. If a court determines the grounds for involuntary commitment have been established by clear, cogent, and convincing proof, it shall make an order of commitment to an approved treatment program for 60 days. An individual is discharged from involuntary treatment after 60 days unless the program files a petition for recommitment, which may result in a further 90-day commitment period. There are two involuntary commitment centers in Washington located in Spokane and Sedro-Wooley.

Law Enforcement Authority and Juveniles Suffering from a Mental Disorder. When a police officer has reasonable cause to believe a juvenile has committed a non-felony offense and the juvenile suffers from a mental disorder, the officer is authorized to take the individual to an evaluation and treatment facility or other locations to which the prosecutor, law enforcement, and mental health provider have agreed. The officer may exercise this authority instead of taking a juvenile to detention.

Diversions. A diversion agreement is a contract between a juvenile accused of an offense and a diversion unit where a juvenile agrees to certain conditions instead of prosecution. Diversion agreements may include: community restitution, financial restitution, counseling and educational or informational sessions at a community agency, a fine, requirements to remain in certain locations at specific times, and refraining from contact with victims or witnesses.

In cases without a victim or where a juvenile has no prior criminal history and is alleged to have committed an offense involving no threat or actual harm and not involving more than $50 of property damage or loss, a diversion unit may counsel and release a juvenile.

Summary: Pilot Program. A pilot program is established in Snohomish County allowing a police officer to take an individual to designated places designed to treat chemical dependency when the individual:

- committed a non-felony crime that is not a serious offense;
- has not committed driving or being in physical control of a vehicle while under the influence of intoxicating liquor or drugs; and
- is known by history or consultation with staff designated by the county to suffer from a chemical dependency.

A police officer has the following options for an individual described above:

- taking that individual to an approved chemical dependency treatment provider, where the individual must be examined within three hours;
- taking that individual to an emergency medical service used for incapacitated persons if no treatment program is readily available, where the individual must be examined within three hours;
- referring the individual to a chemical dependency professional for involuntary detention and proceedings; or
- releasing the individual upon agreement to voluntary participation in outpatient treatment.

After referring an individual to treatment, a police officer must submit a report to the prosecutor within 10 days.

If the individual is released to the community from treatment, the treatment provider must inform the arresting officer of the release if the officer requested notification. In determining whether to refer an individual to treatment, the officer must be guided by standards agreed upon with the prosecutor. These standards must include the length, seriousness, and recency of the individuals known criminal history, the mental health and substance abuse history of the individual, and the circumstances of the offense. Any agreement to participate in treatment may not require a stipulation to any of the alleged facts. If an individual violates a treatment agreement, the chemical dependency provider must inform law enforcement. The police officer, staff designated by the county, or treatment personnel are immune from liability for any good faith conduct.

The pilot program expires on July 31, 2019.

Snohomish County must evaluate the effects of the pilot program and submit a report to the Legislature summa-

rizing the effectiveness of the program and providing specified data. The report is due July 15, 2013, and every other year until July 1, 2019.

Juvenile Provisions. If a law enforcement officer takes a juvenile who suffers from a mental disorder to an alternative treatment facility instead of detention, that juvenile may be examined by a chemical dependency professional if the youth is suffering from chemical dependency. The name "mental health diversions" is changed to "behavioral health diversions."

If a diversion assessment identifies a chemical dependency need, a youth may access up to 30 hours of counseling.

Votes on Final Passage:

House	97	0	
Senate	47	0	(Senate amended)
House	97	1	(House concurred)

Effective: June 12, 2014

EHB 2636

C 76 L 14

Streamlining statutorily required environmental reports by government entities.

By Representatives Smith, Tarleton and Morrell; by request of Department of Ecology.

House Committee on Environment
Senate Committee on Energy, Environment & Telecommunications

Background: The Department of Ecology (DOE) is responsible for the administration of a long list of statutes that affect the state's environment. The DOE's administrative responsibilities include the management of air quality, water resources, recycling, waste reduction and reuse, and many other environmental programs. Statutes that establish the DOE's program management responsibilities include a variety of procedural and administrative requirements. Many of these statutes also require the DOE or other government agencies to periodically report to the Legislature or the Governor on program activities. Examples of the DOE's reporting responsibilities include:

- a biennial report on aquatic algae control activities;
- two biennial reports on waste reduction, litter control, and recycling efforts by the DOE, other state agencies, and local governments;
- a biennial report on local government waste reduction, litter, and recycling programs funded through the DOE;
- an annual report on the air operating permit program authorized under the Clean Air Act;
- a biennial report on the status and progress of the waste tire pile cleanup program;
- an annual report on tire recycling reuse and recycling rates;
- a biennial progress report on the use of fees collected and spent on the administration of biosolids permitting;
- a biennial report on the ability of water banking programs to assist in providing water supplies;
- a biennial report on a Whitman County pilot project that exempts domestic water use for certain clustered residential development from groundwater permitting;
- a biennial progress report on the activities of the Washington Stormwater Center;
- a biennial report on the activities of water conservancy boards;
- a biennial report on watershed planning activities;
- several status reports on watershed planning and water rights processing, which were due between 2001 and 2004; and
- a status report on vehicle greenhouse gas emission labeling, which was due in 2008.

Summary: The following reports to the Legislature are eliminated entirely:

- the DOE aquatic algae control report;
- a DOE report on local government waste reduction, litter, and recycling programs that are funded through the DOE;
- the DOE biennial report on watershed planning activities;
- an annual DOE tire recycling report; and
- an annual report on the availability of cars that meet state-adopted California motor vehicle emission standards.

The following reports or information must now be posted online, rather than submitted to the Legislature:

- the statewide waste reduction, litter control, and recycling report;
- the DOE biennial report on waste tire pile cleanup, which is also made less comprehensive through the elimination of requirements that the report specifically include a programmatic needs assessment, a description of ongoing tire fire prevention efforts, and a listing of recently discovered waste tire fires;
- information on biosolid permitting;
- information on water banking;
- information on a Whitman County pilot project that exempts domestic water use for certain clustered residential development from groundwater permitting;
- information on water conservancy board activities; and
- the DOE and local air authority periodic reports on air operating programs;

Other changes to existing program and reporting requirements include:

- The statewide litter survey is conducted periodically rather than biennially.
- Requirements are eliminated for other state agencies to periodically report certain litter collection information to the DOE.
- Statutory language is removed which describes an outdated status report on greenhouse gas emission labeling for vehicles sold in Washington and outdated status reports on watershed planning.
- A biennial stormwater center progress report to the Legislature is eliminated, and the DOE and stormwater center partners are instead directed to inform legislative committees of program progress.

Votes on Final Passage:

House	94	4
Senate	49	0

Effective: June 12, 2014

HB 2674

C 12 L 14

Concerning the processing of quick titles by subagents.

By Representatives Warnick and Sawyer.

House Committee on Transportation
Senate Committee on Transportation

Background: In 2011 a process was created to print a quick title, which is a certificate of ownership printed at the time of application. Presently, there are 37 locations in Washington where quick titles are produced, with 22 county auditor offices and 15 subagent offices providing the quick title service. During the period of July 1, 2012, through June 30, 2013, there were 21,986 vehicle and 476 vessel quick titles produced.

A $50 fee is charged by the participating county auditor or other agent; $25 is retained by the county treasurer in the same manner as other fees collected by the county auditor, and the remaining $25 is deposited into the Motor Vehicle Fund for a vehicle and the State General Fund for a vessel. If the fee is paid directly to the Department of Licensing (DOL), the entire fee of $50 must be deposited into the Motor Vehicle Fund for a vehicle and into the State General Fund for a vessel.

The application for a quick title may not be used to obtain the first title issued to a vehicle previously designated as a salvage vehicle.

The application for a quick title must be submitted by the owner or owner's representative to the DOL, participating county auditor, or other agent appointed by the Director of the DOL on a form furnished or approved by the DOL.

Subagents are allowed to perform quick title transactions if:?

- the county auditor or agent has provided quick title services in the county in which the subagent is located for at least six months;
- the county auditor or other agent has selected the subagent to perform quick title services; and
- the DOL has instituted a process in which blank certificates of title can be inventoried.

All applications for a quick title must meet the requirements established by the DOL.

The DOL has instituted security standards and a process by which blank certificates of title can be inventoried.

Summary: A subagent may process a quick title in accordance with rules that are adopted by the DOL. The following requirements before a subagent may process a quick title are removed:

- The county auditor of the county in which the subagent is located has processed quick titles for a minimum of six months.
- The county auditor must approve a request from a subagent in its county to process quick titles.

The requirement currently in statute for the DOL to institute a process in which blank certificates of title can be inventoried is removed.

Votes on Final Passage:

House	97	0
Senate	49	0

Effective: June 12, 2014

ESHB 2680

C 29 L 14

Establishing a caterer's license to sell spirits, beer, and wine.

By House Committee on Government Accountability & Oversight (originally sponsored by Representatives Springer, Haler, Goodman and Freeman).

House Committee on Government Accountability & Oversight
Senate Committee on Commerce & Labor

Background: Washington State Liquor Control Board. The Liquor Control Board (LCB) is responsible for the overall regulation of the distribution and sale of liquor in this state, including the issuance of liquor licenses to the various categories of businesses authorized to sell or otherwise provide liquor to the public. The regulatory authority of the LCB includes the authority to prescribe:

- the terms and conditions to be contained in permits and licenses and the qualifications for receiving a permit or license;
- the fees payable for any liquor-related permits and licenses for which no fees are prescribed, as well as

the fees for anything done or permitted to be done under the regulations adopted by the LCB; and

- the conditions, accommodations, and qualifications requisite to the obtaining of licenses to sell beer, wine, and spirits and regulating the sale of beer, wine, and spirits pursuant to those licenses.

Restaurant Liquor Licenses. There are various types of liquor licenses, including licenses for restaurants and taverns. Restaurant liquor license fees range from $200 for wine or beer, or $400 for both, and up to $2,000 for certain spirits, beer, and wine licenses. Food service requirements are attached to these restaurant licenses. There is no food requirement attached to a tavern license.

Caterer's Endorsement for a Restaurant Liquor License. The LCB may issue a caterer's endorsement to a restaurant licensee authorized to sell beer, wine, and spirits. The caterer's endorsement allows the restaurant to remove liquor from the restaurant premises for the sale to, and use by, customers at a catered event taking place on a specified date. If the event is open to the public, it must be sponsored by specified categories of nonprofit societies or organizations. If attendance at the event is limited to members or invited guests of the sponsoring individual, society, or organization, the requirement that the sponsor must be a specified type of society or organization is waived. The cost of the restaurant caterer's endorsement is $350.

The holder of a restaurant license with a catering endorsement must, if requested by the LCB, notify the LCB of the date, time, place, and location of any catered event. Upon request, the licensee must provide to the LCB all necessary or requested information concerning the society or organization that will be holding the function at which the endorsed license will be utilized.

Summary: The LCB is authorized to issue a caterer's license to sell spirits, beer, and wine by the individual serving at retail value for consumption on the premises at an event location that is either owned, leased, or operated either by the caterer or the sponsor of the event for which catering services are being provided. If the catered event is open to the public, it must be sponsored by a nonprofit society or organization that is operated for charitable, religious, social, political, educational, civic, fraternal, athletic, or benevolent purposes. If attendance at the event is limited to members or invited guests of the sponsoring individual, society, or organization, the requirement that the sponsor must be a specified type of society or organization is waived. The licensee must serve food as required by rules of the LCB.

The annual fee is $200 for the beer license, $200 for the wine license, and $400 for a combination beer and wine license. The annual fee for a combined beer, wine, and spirits license is $1,000.

The holder of this license must notify the LCB or its designee of the date, time, place, and location of any catered event at which liquor will be served, sold, or consumed.

Employees of a business holding a catering license who are at least 18 years of age may take orders for, serve, and sell liquor in any part of the licensed premises except those areas that are classified as off-limits to persons under 21 years of age (e.g., cocktail lounges, bars).

The licensee is responsible for all sales, service, and consumption of alcohol at the location of the catered event.

Licensees are prohibited from catering events at locations or premises that are already licensed to sell liquor.

The premises where a licensed caterer provides liquor-related catering services are added to the categories of "retail licensed premises" authorized to sell alcohol by the glass, by the drink, or in its original container.

Employees of licensed caterers who prepare, mix, or serve alcohol at catered events are required to have a legal permit authorizing them to do so.

Votes on Final Passage:

House	95	2
Senate	44	4

Effective: June 12, 2014

HB 2700

C 77 L 14

Creating breast cancer awareness special license plates.

By Representatives Stonier, Riccelli, Ryu, Senn, Habib, Fey, Ormsby, Morrell, Gregerson, Tarleton, Pollet and Freeman.

House Committee on Transportation
Senate Committee on Transportation

Background: The Department of Licensing (DOL) issues special vehicle license plates that may be used in lieu of standard plates. A governmental or nonprofit sponsoring organization seeking to sponsor a special plate either submits an application to the DOL or requests legislation to create the special plate. The sponsoring organization seeking to sponsor the special plate is required to reimburse the DOL for the costs of establishing the new special plate. There is a moratorium on the issuance of new special plates until July 1, 2015.

For special license plates that are enacted by the Legislature, a sponsoring organization must, within 30 days of enactment, submit prepayment of all start-up costs to the DOL. If the sponsoring organization is not able to meet the prepayment requirement, revenues generated from the sale of the special license plate are first used to pay off any costs associated with establishing the new plate. The sponsoring organization must also provide a proposed license plate design to the DOL. Additionally, the sponsoring organization must submit an annual financial report to

the DOL detailing actual revenues generated from the sale of the special license plate. The reports are reviewed, approved, and presented to the Joint Transportation Committee.

The DOL collects special license plate fees and, for administrative expenses, deducts an amount not to exceed $12 for new plate issuance and $2 for renewal. After these expenses are paid, the State Treasurer deposits the proceeds into the Motor Vehicle Account until the DOL determines the start-up costs for a special license plate are paid.

Summary: The breast cancer awareness special license plate is created, which displays a pink ribbon. In addition to all fees and taxes required to be paid upon application for a vehicle registration, a fee of $40 is charged for a breast cancer awareness special license plate and a $30 fee is charged for renewal of the plate.

After the costs associated with establishing the special license plates are recovered, proceeds from the sale of the special license plates go to the Washington State Department of Health to fund efforts consistent with their breast, cervical, and colon health program.

The breast cancer awareness special license plate is exempt from the moratorium on new special license plates.

Votes on Final Passage:

House	98	0
Senate	47	0

Effective: January 1, 2015

HB 2708

C 129 L 14

Concerning a qualified alternative energy resource.

By Representatives Tarleton, Short, DeBolt, Fey, Freeman, Hudgins, Lytton, Smith, Morrell, Ortiz-Self, Springer, Pollet and Muri.

House Committee on Technology & Economic Development

Senate Committee on Energy, Environment & Telecommunications

Background: Voluntary Option to Purchase Qualified Alternative Energy Resources. Electric utilities are required to provide their retail electricity customers a voluntary option to purchase qualified alternative energy resources. On at least a quarterly basis, electric utilities must include with their retail customers' regular billing statement a voluntary option to purchase qualified alternative energy resources. A utility may provide qualified alternative energy resource options through resources it owns or contracts for, the purchase of credits issued by a clearinghouse, or other system.

"Qualified alternative energy resource" is defined to mean the electricity or thermal energy produced from generation facilities that are fueled by: (1) wind; (2) solar energy; (3) geothermal energy; (4) landfill gas; (5) wave or tidal action; (6) gas produced during the treatment of wastewater; (7) qualified hydropower; or (8) biomass energy based on animal waste or solid organic fuels from wood, forest, or field residues, or dedicated energy crops that do not include wood pieces that have been treated with chemical preservatives such as creosote, pentachlorophenol, or copper-chrome-arsenic.

Reporting. Each consumer-owned utility must maintain and make available upon request of the Department of Commerce, and each investor-owned utility must maintain and make available upon request of the Utilities and Transportation Commission (UTC), information describing the option or options it is offering its customers, the rate of customer participation, the amount of qualified alternative energy resources purchased by customers, the amount of utility investments in qualified alternative energy resources, and the results of pursuing aggregated purchasing opportunities. The Department of Commerce and the UTC must report the information to the appropriate committees of the Legislature upon request.

Small Utilities Exemption. Small utilities are not required to provide their retail electricity customers a voluntary option to purchase qualified alternative energy resources. A small utility is defined as any consumer-owned utility with 25,000 or fewer electric meters in service, or that has an average of seven or fewer customers per mile of distribution line.

Summary: Biomass energy based on liquid organic fuels from wood, forest, field residues or dedicated energy crops that do not include wood pieces that have been treated with chemical preservatives such as creosote, pentachlorophenol, or copper-chrome-arsenic is included as a qualified alternative energy resource.

Votes on Final Passage:

House	97	1
Senate	49	0

Effective: June 12, 2014

HB 2723

C 164 L 14

Modifying certain provisions governing foreclosures.

By Representatives Gregerson, Rodne, Orwall, Jinkins, Robinson, Freeman, Takko, Farrell, Bergquist, Riccelli, Fitzgibbon, Senn, Ryu, Morrell, Ortiz-Self, Clibborn, Kagi and Goodman.

House Committee on Judiciary

House Committee on Appropriations Subcommittee on General Government & Information Technology

Senate Committee on Financial Institutions, Housing & Insurance

Background: The Foreclosure Fairness Act (FFA) is foreclosure prevention legislation enacted in 2011. This

act included a number of provisions aimed at increasing communication between beneficiaries and borrowers.

Meet and Confer Process. Before a beneficiary may issue a notice of default to a borrower of a loan secured by a deed of trust on owner-occupied residential real property, a notice of pre-foreclosure options must be mailed to the borrower via first-class mail. If the borrower requests a meeting with the beneficiary, the meeting may be by telephone, unless the borrower requests in writing that it be in person. In-person meetings must be held in the county where the borrower resides.

Mediation and Mediators. The FFA created a mediation process applicable to beneficiaries and borrowers of deeds of trust on owner-occupied residential real property, which is defined as property consisting solely of a single-family residence, a residential condominium unit, or a residential cooperative unit.

The borrower must be referred to mediation by a housing counselor or attorney. The referral is sent to the Department of Commerce (Department), which selects a mediator from a list of approved foreclosure mediators and sends notice to the parties. A mediation session must be held within 70 days of the referral from the Department and within the county where the borrower resides. The beneficiary and borrower must exchange required documents within specified time frames. Included in the documentation required of a beneficiary is the portion or excerpt of any pooling and servicing agreement that prohibits the beneficiary from implementing a modification of the loan.

Unless the parties agree otherwise, a foreclosure mediator's fee may not exceed $400 for a mediation session lasting between one and three hours.

Beneficiary Reporting and Remittance Requirements. Every quarter, a beneficiary that issues notices of default on owner-occupied residential real property must report to the Department the number of owner-occupied residential real properties for which the beneficiary has issued a notice of default during the previous quarter and remit $250 per property to the Department. The reporting and remitting requirement does not apply to beneficiaries that issued fewer than 250 notices of default in the previous year.

Allocation of Funds. The funds remitted by beneficiaries are allocated between different agencies. In particular, not less than 76 percent of the funds must be used for providing housing counselors to borrowers, except that this amount may be less than 76 percent if necessary to meet the funding level specified for the Office of the Attorney General Consumer Protection Division for enforcement. Up to 13 percent, or $590,000, whichever amount is greater, is directed to the Department for implementation and operation of the FFA.

Summary: Meet and Confer Process. The notice of pre-foreclosure options that must be sent by the beneficiary or authorized agent to the borrower must be sent by registered or certified mail, return receipt requested, in addition to sending it via first-class mail.

If the meeting is requested to be held in person, the meeting must be held in the county where the property is located, unless the parties agree otherwise, rather than where the borrower resides.

The declaration that is required of the beneficiary, authorized agent, or trustee, also known as the "foreclosure loss mitigation form" is modified to add additional descriptive information or explanations as to what efforts were made to meet and confer with the borrower and what transpired as a result:

- If the borrower responded, but did not request a meeting, this fact is to be noted.
- If a meeting was requested and held, the date, time, and location is to be specified.
- If a meeting was requested, but the borrower did not appear, specific information relative to the scheduling of that meeting is required.
- If the borrower did not respond, that is to be specifically noted.
- A space for additional optional explanatory comments is added.

Mediation and Mediators. For purposes of the foreclosure mediation program, owner-occupied residential real property includes residential real property of up to four units.

Even if the borrower fails to elect to mediate within the applicable time frame, the borrower and the beneficiary may nevertheless agree in writing to enter the mediation program.

Documents required of the beneficiary for purposes of mediation must include the portion or excerpt of *any* investor restriction that prohibits the beneficiary from implementing a modification and not just the portion or excerpt of a pooling and servicing agreement that includes such a prohibition.

Mediation sessions are to be convened in the county where the property is located, not where the borrower resides.

The reasonable fee that a mediator may charge is that which is authorized by statute *or* which is authorized by the Department. The fee does not have to be authorized by both the statute and the Department.

Allocation of Funds. Some of the specifics with respect to expenditures from the Foreclosure Fairness Account are modified as follows:

- No less than 71 percent, rather than no less than 76 percent, must be used for the purposes of providing counseling.
- Up to 18 percent or $1.4 million, rather than up to 13 percent or $590,000, whichever amount is greater, is directed to the Department for implementation and operation of the FFA.

Votes on Final Passage:

House	98	0
Senate	49	0

Effective: June 12, 2014

SHB 2724

C 165 L 14

Exempting information concerning archaeological resources and traditional cultural places from public disclosure.

By House Committee on Community Development, Housing & Tribal Affairs (originally sponsored by Representatives Ortiz-Self, Appleton, Walkinshaw, Sawyer, Ryu, Roberts, Stanford and Wylie).

House Committee on Community Development, Housing & Tribal Affairs

Senate Committee on Governmental Operations

Background: Department of Archaeology and Historic Preservation. The Department of Archaeology and Historic Preservation (DAHP) maintains a complete inventory of archaeological resource sites and collections within the state. Archaeological resources include historic and prehistoric objects, structures, artifacts, implements, and locations pertaining, but not limited to, American Indian or aboriginal sites.

The DAHP gathers information about archeological sites and resources by conducting studies and evaluations on public lands and through investigation with permission on private lands. The DAHP also receives information about archaeological sites and resources from professional archaeologists practicing in the state.

The DAHP also maintains the Washington Heritage Register (Register) that contains an official listing of all documented sites and property in the state that have historical, architectural, archeological, engineering, and cultural significance. Listing on the Register does not have a legal effect, but can be used to identify resources that may be affected by certain state or local actions.

Archaeological Resource Protections. The disturbance of an archeological resource or site on public or private lands requires a written permit issued by the DAHP. The removal, excavation, or damage of an archeological resource without a permit is a class C felony.

The DAHP must notify an affected tribe when potential Indian skeletal remains are discovered within the tribe's usual and accustomed areas. The intentional removal of an Indian grave or glyphic record is a class C felony.

Agency Information Sharing. The DAHP is responsible for sharing the information in its archaeological resource inventory with state, federal, and private construction agencies regarding the possible impact that construction activities may have on archaeological resources. The DAHP manages its inventory through a geographic information system database that helps agencies plan around archaeological and historic sites to avoid protected resources. In order to protect against the abuse of such information from potential looting or vandalism, the DAHP requires agencies to enter into a memorandum of understanding in order to access the database. The DAHP also enters into such agreements with tribes to access, as well as share, archaeological information for purposes of resource protection.

The DAHP shares information with agencies that are required to consider the impact of activities on archaeological, historical, or cultural resources. For example, regulations under the State Environmental Protection Act require agencies to consider cultural and historic resource impacts when determining whether any proposed major action would have a significant adverse effect on the environment.

Regulations under the Forest Practices Act require the Department of Natural Resources to notify tribes when it receives an application for timber-related activities and other forest practices in an area where the tribe has an identified cultural resource. In addition, watershed analyses that determine the cumulative effects of forest practices must assess the impact on cultural resources within the area.

Finally, local shoreline master programs that regulate land use activities, pursuant to the Shoreline Management Act, must include policies to protect and mitigate damage to historic, archeological, and cultural resources, including notice provided to the DAHP and affected tribes.

Public Records Act. The Public Records Act (PRA) requires that all state and local government agencies make all records available for public inspection and copying, unless they fall within certain statutory exemptions. Exemptions are narrowly construed in order to promote public access to government information.

Certain exemptions are made for the purpose of protecting archaeological sites from looting and depredation. One exemption applies to records and maps identifying the location of archaeological sites. Another exemption applies to records and maps that identify archaeological or historic sites or traditional sites used by a tribe that are obtained through a watershed analysis.

Summary: An exemption from the PRA is created for any site forms, reports, specific fields, and tables relating to site form data within a database, and geographic information systems spatial layers, that are related to historical archaeological resources, archeological resources, or traditional cultural places obtained by a state agency or local government or shared between a state agency, local government, or tribal government.

A local government or state agency must respond to a public records request by a property owner for archaeological or cultural information that is exempt from disclosure by providing instructions for how the owner may contact

the DAHP to obtain locality information on archaeological and cultural resources.

Votes on Final Passage:

House	97	0	
Senate	47	2	(Senate amended)
House	98	0	(House concurred)

Effective: June 12, 2014

EHB 2733

C 45 L 14

Designating certain hydroelectric generation from a generation facility located in irrigation canals and certain pipes as an eligible renewable resource under chapter 19.285 RCW.

By Representatives Haler and Magendanz.

House Committee on Technology & Economic Development
Senate Committee on Energy, Environment & Telecommunications

Background: Approved by voters in 2006, the Energy Independence Act (EIA), also known as Initiative 937, requires electric utilities with 25,000 or more customers to meet targets for energy conservation and for using eligible renewable resources. Utilities that must comply with the EIA are called qualifying utilities.

Eligible Renewable Resource Targets and Compliance Dates. Each qualifying utility must use eligible renewable resources or acquire equivalent renewable energy credits (RECs), or a combination of both, to meet the following annual targets:

- at least 3 percent of its load by January 1, 2012, and each year thereafter through December 31, 2015;
- at least 9 percent of its load by January 1, 2016, and each year thereafter through December 31, 2019; and
- at least 15 percent of its load by January 1, 2020, and each year thereafter.

Eligible Renewable Resource. "Eligible renewable resource" means electricity generated from a resource such as wind, solar, geothermal energy, landfill and sewage gas, wave and tidal power, and certain biodiesel fuels. In addition, an eligible renewable resource must be generated in a facility that started operating after March 31, 1999, and the facility must either be located in the Pacific Northwest or the electricity from the facility must be delivered into the state on a realtime basis.

Incremental Hydroelectricity as an Eligible Renewable Resource. Incremental electricity produced as a result of efficiency improvements to the following hydroelectric generation facilities may also count as an eligible renewable resource if the improvements do not result in new water diversions or impoundments, and the improvements are completed after March 31, 1999:

- hydroelectric generation projects owned by a qualifying utility and located in the Pacific Northwest; and
- hydroelectric generation in irrigation pipes and canals located in the Pacific Northwest.

Renewable Energy Credit. A renewable energy credit (REC) is a tradable certificate of proof of at least one megawatt hour of an eligible renewable resource where the generation facility is not powered by fresh water. Under the EIA, a REC represents all the nonpower attributes associated with the power. The RECs can be bought and sold in the marketplace, and they may be used during the year they are acquired, the previous year, or the subsequent year.

Summary: The following is classified as an eligible renewable resource under the EIA: hydroelectric generation from a project completed after March 31, 1999, where the generation facility is located in irrigation pipes, irrigation canals, water pipes whose primary purpose is for conveyance of water for municipal use, and wastewater pipes located in Washington where the generation does not result in new water diversions or impoundments.

Votes on Final Passage:

House	89	8
Senate	39	10

Effective: June 12, 2014

SHB 2739

C 196 L 14

Requiring a report analyzing the correlation of certain family factors with academic and behavioral indicators of student success.

By House Committee on Appropriations Subcommittee on Education (originally sponsored by Representatives Ortiz-Self, Walsh, Santos, Bergquist, Walkinshaw, Kagi, Johnson, Ryu, Zeiger and Magendanz).

House Committee on Early Learning & Human Services
House Committee on Appropriations Subcommittee on Education
Senate Committee on Early Learning & K-12 Education
Senate Committee on Ways & Means

Background: The Education Data Center (EDC) was established within the Office of Financial Management in 2007. Working jointly with the Legislative Evaluation and Accountability Program Committee, the EDC conducts collaborative analyses of early learning, K-12, higher education programs, and education issues across the P-20 system. The EDC is charged with annually providing to the K-12 data governance group a list of data elements and data quality improvements that are necessary to answer the research and policy questions identified by the education data center or legislative committees.

Summary: The EDC is required to contract with the Area Health Education Center of Eastern Washington through

the Washington State University extension to conduct a geographic analysis. Using existing data, researchers are to identify areas where cumulative effects of family factors, such as health status and safety, correlate with academic and behavioral indicators of student success. In addition to including maps that illustrate community variation in family factors, the report must include the following: (1) the prevalence of family and community health, safety, and stability factors relevant to student success; (2) resilience factors that are statistically correlated with improved population outcomes even in populations with family, health, safety, and stability challenges; (3) correlation of the factors with community variation in academic, behavioral, and graduation outcomes; and (4) implications for policies targeted at improving K-12 or postsecondary outcomes. The report is due to the appropriate committees of the Legislature by January 31, 2015.

Votes on Final Passage:

House	65	33
Senate	45	4

Effective: June 12, 2014

HB 2741

C 197 L 14

Concerning requirements before issuance of an initial vehicle registration.

By Representatives Orcutt and Clibborn.

House Committee on Transportation
Senate Committee on Transportation

Background: New Washington residents, unless exempt, must obtain a Washington driver's license within 30 days from the date they become residents. If a person does not acquire the license within 30 days, it is a citation for a nonmoving offense of $124.

New Washington residents, unless exempt, must register their vehicles within 30 days from the date they become residents. For a person to register a vehicle, they must present either an unexpired Washington driver's license or certification that he or she is: (1) a Washington resident who does not operate a motor vehicle on public roads; or (2) is exempt from the requirement to obtain a Washington driver's license. Exemptions include being: a member of the military, a nonresident driver, a person operating special highway construction equipment or farm equipment incidentally over a highway, or an operator of a locomotive upon rails. The Department of Licensing (DOL) has the authority to adopt rules that exempt a person applying for registration from the requirements if the person provides evidence satisfactory to the DOL that he or she has a valid and compelling reason for not being able to meet these requirements.

A person falsifying residency for the purposes of vehicle registration is guilty of a gross misdemeanor punishable only by a fine of $529.

A person may register his or her vehicle in one of three ways:

- in person: by bringing to the DOL the unexpired Washington driver's license and, for each additional registered owner shown on the vehicle record, a photo copy of the driver's license or the driver's license number and expiration date in writing;
- by Internet transaction: by entering the driver's license number and expiration date; and
- by mail: by providing in writing the driver's license number and expiration date.

There are 6.3 million Washington motor vehicle registrations processed annually. Approximately 20 percent of those registrations involve an original registration of the vehicle or a transfer of ownership, while the remaining 80 percent involve the same motor vehicle owner submitting the same driver's license information each year.

Nonresidents from states with no sales tax or a sales tax of less than 3 percent are exempt from paying Washington's sales and use tax on qualifying purchases. This means Oregon residents, as well as residents of Alaska, Colorado, Delaware, Montana, New Hampshire, and Utah, do not have to pay sales and use taxes on items purchased in Washington that will be used outside of the state.

In 2012 there were 140,000 driver's licenses issued to people from other states. Seventy-nine percent or 111,000 were issued to people from states with a sales tax greater than 3 percent and 29,000 or 21 percent were issued to people from states with less than a 3 percent sales tax. Of those 29,000, 18,000 were from Oregon and 2,700 were from Montana.

The 2013-15 Biennial Transportation Budget directed the Joint Transportation Committee (JTC) to coordinate a work group to identify possible issues relating to the administration of, compliance with, and enforcement of the statutory requirement for a person to provide an unexpired Washington driver's license when registering a motor vehicle. During the study process, the Department of Revenue estimated the additional revenues since 2005 occurring as a result of the unexpired driver's license requirement. These estimates were developed utilizing data from 2005 onward and a measurement of fraud developed by the Coalition Against Insurance Fraud, which identified a 10 percent fraud rate. That measurement was applied to Washington to identify the revenue impact of the unexpired driver's license requirement. In fiscal year 2013, the agency estimated $3.435 million in state revenues and $1.297 million in local revenues. One of the options examined by the JTC study was to amend the statute to apply only to original vehicle registrations and to vehicle ownership changes.

Summary: The unexpired driver's license requirement applies to original vehicle registrations and to vehicle

ownership changes, unless the person qualifies for one of the exemptions in state law. The requirement to show an unexpired driver's license for renewal registrations is removed.

Votes on Final Passage:

House	93	4
Senate	48	1

Effective: June 12, 2014

HB 2744

C 182 L 14

Modifying certain provisions governing veteran-owned businesses.

By Representatives G. Hunt, Appleton, Tarleton and Freeman.

House Committee on Community Development, Housing & Tribal Affairs
Senate Committee on Commerce & Labor

Background: Veteran-Owned Businesses. The Department of Veterans Affairs (DVA) certifies certain businesses as veteran-owned businesses. The DVA collects and maintains a list of certified veteran-owned businesses on its website and issues decals for businesses to identify themselves as veteran-owned businesses.

Businesses may submit an application to the DVA for certification. To qualify as a veteran-owned business, a business must be at least 51 percent owned and controlled by a veteran or an active or reserve member of the Armed Forces, including the National Guard, Coast Guard, or reserves.

The Legislature encourages state agencies to award 3 percent of all procurement contracts that are exempt from competitive bidding to veteran-owned businesses, including contracts by higher education institutions and contracts for public works and personal service. The Department of Enterprise Services (DES) keeps records of all veteran-owned businesses certified by the DVA.

Veteran Definition. Veteran is defined generally as any person who has received an honorable discharge or a discharge for medical reasons with an honorable record and has served as:

- a member of any branch of the Armed Services, National Guard, or reserves and has fulfilled his or her initial military obligation;
- a member of the Women's Air Force Service Pilots;
- a National Guard, reserves, or Coast Guard member called into federal service for at least a cumulative period of 6 months;
- a civil service crewmember in oceangoing service aboard a military transport vessel during World War II;
- a member of the Philippine Armed Forces or scouts during World War II; or
- a documented merchant mariner who received military commendation for oceangoing service aboard a military vessel during the Korean or Vietnam Wars.

Summary: A qualifying veteran-owned business must be an enterprise incorporated in Washington as a domestic corporation or an enterprise with its principal place of business located in the state.

Votes on Final Passage:

House	97	0
Senate	48	0

Effective: June 12, 2014

ESHB 2746

C 166 L 14

Refinancing of medicaid personal care services for individuals with developmental disabilities and individuals with long-term care needs through the community first choice option.

By House Committee on Appropriations (originally sponsored by Representatives Green, Morrell, Tharinger, Fitzgibbon, Senn, Tarleton, Robinson, Kagi, Roberts, Ortiz-Self, Jinkins, Walsh, Habib, Bergquist, Dahlquist, Moscoso, Goodman, Riccelli, Pollet, Ormsby and Freeman).

House Committee on Appropriations
Senate Committee on Ways & Means

Background: The state provides certain Medicaid clients with personal care services. Personal care refers to support with routine activities that people tend to complete without needing assistance, called activities of daily living (ADL). Common ADL needs include dressing, bathing, eating, toileting, transferring, and continence. Personal care may also refer to support with activities performed by a person living independently in a community setting, called instrumental activities of daily living (IADL). Common IADL needs include shopping, cooking, laundry, meal preparation, and housework.

Clients may receive personal care in their own home from a contracted individual provider or from an employee working for a licensed home care agency. Clients may also receive personal care within a residential setting, such as an adult family home or an assisted living facility. In fiscal year 2013, approximately 60,000 clients received personal care services from the Department of Social and Health Services (DSHS).

Clients may access personal care through an optional state plan service, called Medicaid Personal Care (MPC), or through programs that provide home and community-based services to individuals who would otherwise require institutionalization, called Medicaid waivers. Medicaid state plan services are an entitlement. Medicaid waivers

are not an entitlement. Federal Medicaid matching funds cover 50 percent of the cost for personal care services under MPC or a Medicaid waiver.

The Community First Choice Option (CFCO) is an optional entitlement program offered under the federal Affordable Care Act. To be eligible, clients must be assessed as needing nursing facility level of care and must have income that falls below 150 percent of the federal poverty level. States may also choose to include individuals who have higher incomes if those individuals receive medical assistance under certain waiver eligibility groups. Services offered under the CFCO must include: (1) assistance with ADLs, IADLs, and health-related tasks; (2) acquisition, maintenance, and enhancement of skills to complete ADLs, IADLs, and health-related tasks; (3) backup systems that ensure the continuity of care and support; and (4) voluntary training on how to select, manage, and dismiss attendant care providers. Other services, such as transition assistance and employer training, may be included under the CFCO at the discretion of each state. Federal Medicaid matching funds cover 56 percent of the cost for services provided under the CFCO, including personal care services.

Under federal requirements, services under the CFCO must be available statewide. The state may not cap enrollment or target clients based on age, severity of disability, or any other criteria. Services must be offered in the most integrated setting possible, given the individual needs of a client. Also, during the first year of operation, states must maintain or exceed prior year Medicaid expenditures for optional services provided to elderly individuals and people with disabilities.

States must establish a development and implementation council (Council) to collaborate on program design and implementation. A majority of the Council's membership must consist of the elderly, people with disabilities, or their representatives. After implementation, states must incorporate consumer feedback, monitor health measures, and submit required reports to the Department of Health and Human Services.

Summary: The DSHS is required to refinance Medicaid personal care through the CFCO. Implementation of the CFCO must occur before August 30, 2015. The DSHS must design the CFCO in such a manner that all federal requirements are met, and average per capita expenditures do not increase by more than 3 percent during the first year after implementation. Savings from refinancing existing services may be used to offset the cost of implementation. Any remaining savings must be reserved for potential additional investment in home and community-based services for individuals with developmental disabilities and individuals with long-term care needs.

The Joint Legislative Executive Committee on Aging and Disability (Committee) and the Council must both provide recommendations for investments in home and community-based services. At a minimum, the final report to the Legislature from the Committee must explore the cost and benefit of rate enhancements for providers of long-term services and supports, restoration of hours for in-home clients, additional investment in the Family Caregiver Support Program, and additional investment in the Individual and Family Services Program or other Medicaid services that support individuals with developmental disabilities.

Votes on Final Passage:

House	97	0	
Senate	48	0	(Senate amended)
House	92	4	(House concurred)

Effective: June 12, 2014

HB 2776

C 46 L 14

Renaming the Washington civil liberties public education program.

By Representatives Santos, Pettigrew, DeBolt, Cody, Morris, Haigh, Chandler, Kagi, S. Hunt, Orcutt, Dunshee, Kirby, Chopp, Jinkins, Appleton, Fitzgibbon, Ormsby and Hudgins.

Senate Committee on Early Learning & K-12 Education

Background: Legislation enacted in 2000 established the Washington Civil Liberties Public Education Program (Program). The purpose of the Program is to provide grants from funds appropriated for this purpose or from private donations to educate the public on the history and lessons of the internment of persons of Japanese ancestry during World War II. The grants could be used to develop and distribute educational materials, videos, plays, speakers, bureaus, and exhibitions for schools, colleges, and other interested parties. Applicants include nonprofit organizations, institutions of higher education, public schools, cultural institutions, and individuals.

The Superintendent of Public Instruction (SPI) administers the Program and selects grant recipients based on specified criteria and project components. State funding for the Program was discontinued in the 2009-11 biennium, but the SPI maintains a website with information and educational materials developed under the Program and available for continued use.

Former State Representative Kip Tokuda was born in 1946, shortly after his family was released from the Minidoka Relocation Center in Idaho. He was a civic and political leader among the Asian American community and represented the 37th legislative district in Seattle from 1994 to 2002. Representative Tokuda died of a heart attack on July 13, 2013.

Summary: The Washington Civil Liberties Public Education Program is named the Kip Tokuda Memorial Program.

Votes on Final Passage:

House	98	0
Senate	49	0

Effective: June 12, 2014

EHB 2789
FULL VETO

Concerning technology-enhanced government surveillance.

By Representatives Taylor, Goodman, Shea, Morris, Smith, Walkinshaw, Overstreet, Condotta, Moscoso, Ryu, Short and Scott.

Senate Committee on Law & Justice

Background: Unmanned Aircraft Systems. The Federal Aviation Authority (FAA) first authorized the use of unmanned aircraft systems (UAS), in the national airspace in 1990. The FAA defines unmanned aircraft as a device intended to be used for flight with no onboard pilot.

In 2012 the FAA established the Unmanned Aircraft Systems Integration Office to provide a one-stop portal for civil and public use of UAS in the United States airspace. This office is developing a comprehensive plan to integrate and establish operational and certification requirements for UAS. It will also oversee and coordinate UAS research and development.

There are two ways to get FAA approval to operate a UAS. The first is to obtain an experimental airworthiness certificate for private sector (civil) aircraft to do research and development and training and flight demonstrations. The second is to obtain a Certificate of Waiver or Authorization (COA), which can only be obtained by federal, state, or local governmental agencies.

Summary: Definitions. For the purposes of the act, an "agency" includes the State of Washington, its agencies, and political subdivisions, including county and city governmental entities, and includes any entity or individual, whether public or private, with which any of the governmental entities has entered into a contractual relationship or any other type of relationship, with or without consideration, for the operation of an extraordinary sensing device that acquires, collects, or indexes personal information to accomplish an agency function.

An Extraordinary Sensing Device (ESD) is a sensing device attached to an unmanned aircraft system.

A governing body means the council, commission, board, or other controlling body of an agency in which legislative powers are vested, except that for a state agency for which there is no governing body other than the Legislature, the governing body is the chief executive officer of the agency.

Personal information is any information that:

- describes, locates, or indexes anything about a person including, but not limited to: (1) his or her social security number, driver's license number, agency-issued identification number, student identification number, real or personal property holdings derived from tax returns, and the person's education, financial transactions, medical history, ancestry, religion, political ideology, or criminal or employment record; or (2) intellectual property, trade secrets, proprietary information, or operational information;
- affords a basis for inferring personal characteristics, such as finger and voice prints, photographs, or things done by or to such person; and the record of the person's presence, registration, or membership in an organization or activity, or admission to an institution; or
- indexes anything about a person including, but not limited to, his or her activities, behaviors, pursuits, conduct, interests, movements, occupations, or associations.

Procurement. No state agency with jurisdiction over criminal or regulatory enforcement may procure an ESD without an express appropriation by the Legislature for that specific purpose.

No local agency with jurisdiction over criminal law enforcement or regulatory violations may procure an ESD without the explicit approval of the local governing body, given for that device, for that specific purpose.

Usage. No agency, including the state, its agencies, and any political subdivisions, such as county and city governmental entities, may use an ESD except as specifically authorized by the act.

An agency may only use an ESD pursuant to a judicially issued search warrant or under one of the following exceptions:

- for a non-criminal emergency with immediate danger of death of serious bodily injury, if the ESD can reasonable reduce the danger of death or serious physical injury;
- for training or testing if no personal information is collected outside a military base;
- for emergency response if there is a Governor-declared state of emergency; or
- for an operation unlikely to collect personal information and not for regulatory enforcement, limited to the following:
- monitoring to discover, locate, observe, or prevent forest fires;
- monitoring an environmental or weather-related catastrophe or damage from such an event;
- surveying for wildlife management, habitat preservation, or environmental damage; and
- surveying for assessment and evaluation of environmental or weather-related damage, erosion, flood, or contamination.

Use of ESDs for regulatory enforcement purposes is prohibited until the Legislature has approved standards.

Any agency using an ESD must develop written policies and procedures for ESD use and make those policies and procedures public, with an opportunity for public notice and comment.

An ESD operated by an agency must have a unique identifier registration number affixed to it.

All usage must comply with FAA guidelines, in addition to the requirements of the act.

Information Management. No agency may disclose personal information acquired through operation of an ESD except as specifically authorized by the act. All operations of ESD and disclosure of personal information must be done to minimize the unauthorized collection and disclosure of personal information.

Personal information collected by ESDs may not be used, copied, or disclosed after the operation has ended except if there is probable cause that the information is evidence of criminal activity.

Information collected incidentally on a person other than the target of a warrant must be destroyed within 10 days of collection if it can be destroyed without destroying evidence that may be relevant to a pending criminal investigation or case.

Information on the target of the warrant must be destroyed within 30 days after the period of limitations for the criminal activity has expired if the person has not been charged. Personal information may not be received in evidence if the collection or disclosure would violate the terms of the bill.

Recordkeeping and Reporting. Every state agency that uses ESDs must maintain records of each use of an ESD and, for each year in which an ESD was used, prepare an annual report. The contents of the report vary, depending on whether the agency has jurisdiction over criminal law enforcement. Each report must include, at a minimum, the types of ESDs used and the circumstances of each use and may be required to include the kinds of information collected, the storage and deletion of the information, and the successes and costs of the ESD use.

The reports must be compiled by the Office of Financial Management, which must submit them electronically to the Legislature by September 1 of each year, beginning in 2015.

Local agencies need not produce a report, but must maintain records of each use of an ESD including, at a minimum, the number and types of uses, the frequency, type and deletion schedule of collected personal information, and the use of data collected for investigations.

The act does not expand or contract the obligations of an agency under the Public Records Act.

Penalties. Anyone who claims that a violation of the act's provisions has injured his or her business, person, or reputation may sue for actual damages, as well as attorneys' fees and other costs of litigation.

Work Group. The Department of Enterprise Services must convene a work group comprised of four legislators and a representative of the Governor. The work group must submit a report to the Legislature proposing standards for the use of ESDs for regulatory enforcement purposes by December 1, 2014.

Votes on Final Passage:

House	83	15	
Senate	46	1	(Senate amended)
House	77	21	(House concurred)

Effective:

VETO MESSAGE ON EHB 2789

April 4, 2014

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

Ladies and Gentlemen:

I am returning herewith, without my approval, Engrossed House Bill No. 2789 entitled:

"AN ACT Relating to technology-enhanced government surveillance."

This legislation imposes restrictions on state and local agency procurement and usage of "extraordinary sensing devices" attached to unmanned aircraft systems, more popularly known as "drones." Among a number of provisions, the bill imposes a prohibition on the use of extraordinary sensing devices and the disclosure of personal information acquired through such devices, with some exceptions, and creates a new definition of personal information.

After receiving extensive input and considerable reflection, I am vetoing the bill. However, I am issuing a moratorium to executive-branch state agencies to prohibit the purchase and use of these devices during the next 15 months, and asking local law enforcement to do the same.

The Legislature is rightfully concerned about the effects of new technology on our citizens' right to privacy. I share that same concern and take the right to privacy very seriously. As articulated by the lawmakers who supported this bill, some members of the public have concern that, without rules and standards dictating the acceptable uses of unmanned aircraft systems, the government might embark on suspicion-less and warrantless surveillance using this technology. As pointed out by lawmakers on both sides of the aisle, it is important we create the right framework to address these issues so Washingtonians can feel confident their privacy is protected.

While we work in the coming months to create a framework that is protective and can be effectively implemented, no state executive agency will purchase or use these devices until the Legislature has the opportunity to revisit these critical issues in the next session.

I have also heard concerns that local law enforcement agencies might use this veto as an opportunity to purchase these devices this year and conduct warrantless surveillance. I believe local government is as concerned as I am about ensuring our citizens' rights are not violated. Because of this, I am asking the police chiefs and sheriffs across the state to also refrain from acquiring these devices for the next 15 months and to join us in evaluating the appropriate ways to use these new technologies.

However, I understand there could be an extraordinary natural disaster or other need for a rare exception to this directive.

If we are going to build clear standards for procurement, use and data collection policies for new technology, it's important we do this right. Unfortunately, I do not believe this bill is the appropriate first step. Among other issues, this measure contains conflicting provisions on disclosure and destruction of personal

information. This could lead to shielding government uses of this technology from public disclosure. We must ensure that government transparency and accountability are amply provided, which are not clearly guaranteed in this legislation.

The bill also includes an expansive new definition of personal information that would make it impossible to use this technology without violating the prohibitions as written in this bill, and lacks the clarity necessary to give both regulatory and law enforcement agencies - and the public - a clear understanding of how these technologies can and will be used in the future.

I commend the parties for bringing this issue to the forefront and for their determination to get a bill passed this session. While I considered exercising section vetoes to achieve this end, this was not possible.

I share the parties' concern about the privacy of our citizens, and I want members of the public to feel confident their government is protecting them while not violating their rights in the process. I have heard from many who support the passage of this bill and many who are concerned it is not yet ready to be enacted into law. I have carefully read and considered this bill, and believe it deserves more work. I believe, too, we want to get ahead of this issue and get standards in place before government agencies start to use this new technology.

My office will be creating a task force this month to better examine these complex issues and develop a fully vetted bill for the 2015 legislative session. The task force will be composed of a broad group of stakeholders to include legislators, the ACLU, state agencies, law enforcement, industry and citizens-at-large. We need to work through these concerns in a transparent and thoughtful manner to make sure what we sign into law protects the privacy of Washingtonians while also creating clear and fair standards for the use of new technology to protect the safety and well-being of our citizens.

For these reasons I have vetoed Engrossed House Bill No. 2789 in its entirety.

Respectfully submitted,

Jay Inslee
Governor

HB 2798
C 198 L 14

Concerning payments made by the health care authority to managed health care systems.

By Representative Hunter.

House Committee on Appropriations
Senate Committee on Ways & Means

Background: Basic Health Plan. The Health Care Authority (HCA) administered the Basic Health Plan (BHP), which was a health care insurance program that assisted enrollees by providing a state subsidy to offset the cost of premiums. Coverage under the BHP was available for residents of Washington with incomes less than 200 percent of the federal poverty level (FPL) that were also eligible for federal matching funds under a Medicaid waiver related to the BHP.

Medicaid. Medical assistance is available to eligible low-income state residents and their families from the HCA, primarily through the Medicaid program. Most of the state medical assistance programs are funded with matching federal funds in various percentages. Federal funding for the Medicaid program is conditioned on the state having an approved Medicaid state plan and related state laws to enforce the plan. Coverage is provided through fee-for-service (FFS) and managed care systems.

Medicaid Expansion and Elimination of the BHP. On January 1, 2014, Washington exercised its option under the federal Affordable Care Act to expand the Medicaid program to cover adults with incomes below 133 percent of the FPL. Most of the clients in the BHP became eligible for Medicaid coverage under the expansion, and funding for the BHP was eliminated.

Managed Care. Managed care is a prepaid, comprehensive system of medical and health care delivery that includes preventive, primary, specialty, and ancillary health services. Healthy Options is the HCA Medicaid managed care program for low-income people in Washington. Healthy Options offers eligible families, children under age 19, certain disabled individuals, pregnant women, and low-income adults a complete medical benefits package. Coverage under the BHP was also provided through managed care.

Basic Health Plan Medicaid Managed Care Payments. The HCA was allowed to make payments to managed care plans participating in the BHP on behalf of BHP clients with Medicaid coverage.

Basic Health Plan Trust Account. Any non-State General Fund dollars collected by the BHP were deposited in the Basic Health Plan Trust Account to be used exclusively for the BHP. Initiative Measure 502 (I-502) was a ballot measure approved by Washington voters in November 2012 that legalized the production, processing, possession, and personal use of marijuana and created a framework for a regulatory scheme that includes an excise tax system with respect to marijuana production, distribution, and retailing. The initiative required that 50 percent of the remaining excise taxes after certain specified disbursements must be deposited into the Basic Health Plan Trust Account.

Summary: The HCA may, under its BHP authority, make payments to Medicaid managed care plans for clients receiving Medicaid coverage.

Votes on Final Passage:

House	85	11
Senate	47	2

Effective: June 12, 2014

ESSB 5045
C 199 L 14

Creating a permit to allow day spas to offer or supply without charge wine or beer by the individual glass to a customer for consumption on the premises.

By Senate Committee on Commerce & Labor (originally sponsored by Senators Keiser, Honeyford, Kohl-Welles and Frockt).

Senate Committee on Commerce & Labor
House Committee on Government Accountability & Oversight
House Committee on Appropriations
House Committee on Appropriations Subcommittee on General Government & Information Technology

Background: An entity serving alcohol for on-premises consumption must obtain the appropriate license to do so from the Liquor Control Board (LCB). There are specific exemptions allowing an entity to serve alcohol without charge and without a license or permit from LCB. Currently, wedding boutiques and art galleries may offer a complimentary glass of beer or wine to customers who are at least 21 years of age for on-premises consumption. The beer or wine served must have been purchased from a licensed retailer or liquor store at full retail price. The wedding boutiques and art galleries cannot sell beer or wine and cannot advertise that they offer complimentary beer or wine. Employees who serve the beer or wine must complete an LCB-approved limited alcohol server training program. Art galleries are rooms or buildings devoted to the exhibition or sale of art. Wedding boutiques are businesses primarily engaged in the sale of wedding merchandise.

Summary: A day spa permit is created which permits a day spa to serve a glass of beer or wine to a customer without charge. The permit fee for a day spa permit is $125 per year.

Day spas are permitted to offer a complimentary glass of beer or wine to customers who are at least 21 years of age. A day spa is defined as a business that offers at least three of the following types of beauty services: hair care, nail care, skin care, massages, and the use of body toning equipment.

Servers must have training provided by LCB. A day spa must provide separate service areas of the day spa for at least three of the service categories offered.

Votes on Final Passage:

Senate	40	8	
House	78	19	(House amended)
Senate			(Senate refused to concur/asked House to recede)
House	86	12	(House receded)

Effective: June 12, 2014

ESB 5048
FULL VETO
As Passed Legislature

Concerning notice against trespass.

By Senators Sheldon, Benton and Hargrove.

Senate Committee on Law & Justice
House Committee on Judiciary

Background: Generally, trespass occurs when a person knowingly enters or remains unlawfully in or upon the property of another. A person enters or remains unlawfully when the person is not licensed, invited, or otherwise privileged to enter or remain on the property. The type, appearance, and use of the land determine whether a person has a license or privilege to be on the property. However, a property owner can provide notice against trespass by posting in a conspicuous manner.

Many states across the United States have enacted laws that provide landowners with an alternative method for giving notice against trespass. Under these laws, a landowner can paint markings on trees or posts pursuant to the specifications in the statute about the color, size, and location of the marking. If all statutory requirements are met, the markings on the trees or posts provide sufficient notice against trespass and the landowner does not need to post signs.

Summary: A person posts in a conspicuous manner by posting signs that are reasonably likely to make intruders aware that entry is restricted or by placing fluorescent orange paint marks on trees or posts on the property. The fluorescent orange marks must be vertical lines at least 8 inches long and at least 1 inch wide. The bottom of the mark must be between 3 and 5 feet from the ground. The marks must be placed in locations that are readily visible to any person approaching the property.

If the land is forest, the marks cannot be more than 100 feet apart. If the land is not forest, the marks cannot be more than 1000 feet apart. A landowner must use signs for posting in a conspicuous manner on access roads. A landowner may use the orange paint marks to provide notice against trespass only on land outside urban growth areas and incorporated cities and towns.

Votes on Final Passage:

Senate	31	17	
House	96	2	(House amended)
Senate	35	14	(Senate concurred)

Effective:

VETO MESSAGE ON ESB 5048

April 4, 2014

To the Honorable President and Members,
The Senate of the State of Washington

Ladies and Gentlemen:
I am returning herewith, without my approval, Engrossed Senate Bill No. 5048 entitled:

"AN ACT Relating to notice against trespass."

This bill would make it easier for landowners to note the boundaries of their property for purposes of putting people on notice that they are trespassing onto private property. This includes using fluorescent orange paint marks on trees or posts on the property.

For this to be effective, the public needs a transition period to understand that a painted line on a tree means 'no trespassing.' Otherwise, we're undermining the purpose of the bill. The bill is also unclear whether signs are required on land adjacent to access roads or just when an access road crosses onto private property.

Therefore, I am vetoing ESB 5048. I encourage the sponsors to consider a transition period for a subsequent bill to build public awareness of this change and clarify for landowners where signs are required in relation to access roads.

For these reasons I have vetoed Engrossed Senate Bill No. 5048 in its entirety.

Respectfully submitted,

Jay Inslee
Governor

2SSB 5064
C 130 L 14

Concerning persons sentenced for offenses committed prior to reaching eighteen years of age.

By Senate Committee on Human Services & Corrections (originally sponsored by Senators Hargrove and Kline).

Senate Committee on Law & Justice
Senate Committee on Human Services & Corrections
House Committee on Public Safety
House Committee on Appropriations Subcommittee on General Government & Information Technology

Background: In June 2012 the United States Supreme Court (Court) held, in *Miller v. Alabama,* (10-9646), that the eighth amendment ban on cruel and unusual punishment forbids a sentencing scheme that mandates life in prison without the possibility of parole for juvenile homicide offenders.

The court held when a youth is convicted of murder that occurred before age 18, the sentencing judge must focus directly on the youth and assess the specific age of the individual, the youth's childhood, and the youth's life experience; weigh the degree of responsibility the youth was capable of exercising; and assess the youth's chances of becoming rehabilitated. The judge can only impose a sentence of life without parole if the judge concludes the sentence "proportionally" punishes the youth, given all of the factors that mitigate the youth's guilt. The court reasoned that while it is not foreclosing the judge's ability to sentence a youth to life without parole, appropriate occasions for sentencing juveniles to this harshest penalty will be uncommon.

Under Washington law, aggravated first degree murder occurs when a person commits first degree murder and one or more aggravating circumstances are present such as the victim was a law enforcement officer, firefighter, or other person engaged in official duties; the murder was committed in the course of a robbery, rape, burglary, kidnapping, or arson; or the murder was committed to maintain the person's membership or advancement in a gang. The crime of aggravated first degree murder is punishable by either a sentence of life imprisonment without the possibility of parole or, if sufficient mitigating factors are not present, the death penalty may be imposed. First degree murder, without aggravating factors, is punishable with a term of confinement between 23 and 40 years.

Currently there are 27 individuals serving life sentences in Washington State for aggravated first degree murders committed prior to their 18th birthday.

Summary: A youth who commits aggravated first degree murder must be sentenced to a 25-year minimum sentence if the youth committed the crime before age 16 or a minimum sentence between 25 years and life if the youth committed the crime at age 16 or 17. Life without parole is available within the discretion of the judge for youths who commit aggravated first degree murder at age 16 or 17. In setting a minimum term, the court must take into account mitigating factors that account for the diminished culpability of youth as provided in *Miller v. Alabama*.

A person who was sentenced prior to June 1, 2014, to a term of life without the possibility of parole for an offense committed prior to their 18th birthday must be returned to the sentencing court or the sentencing court's successor to set a minimum term consistent with the provisions of this act. The Court must provide an opportunity for victims and survivors of victims to present statements.

Any person convicted of one or more crimes committed prior to the person's 18th birthday may petition the Indeterminate Sentence Review Board (ISRB) for early release after serving no less than 20 years of total confinement provided the person has not been convicted for any crime committed after their 18th birthday, the person has not committed a major violation in the 12 months prior to filing the petition for early release, and the current sentence was not imposed under the aggravated first degree murder statute.

During the minimum term of total confinement, the person must not be eligible for community custody, earned release time, furlough, home detention, partial confinement, work crew, work release, any other form of early release, or any other form of authorized leave or absence from the correctional facility while not in the direct custody of a corrections officer. The Department of Corrections (DOC) must assess a youthful offender five years prior to release and provide programming to prepare the offender for reentry.

No later than 180 days prior to the expiration of the person's minimum sentence, DOC must conduct an examination of the offender to assist in predicting the dangerousness and likelihood that the offender will engage in future criminal behavior if released. The ISRB must order that the person be released unless it is determined by a preponderance of evidence that, despite conditions, it is more

likely than not that the person will commit new criminal law violations if released. If the ISRB does not order that the person be released, a new minimum term not to exceed five years must be set for the person prior to future review. During the review of the person's suitability for release, the ISRB must provide an opportunity for the victims and survivors of victims to present statements.

If an offender is released after serving the minimum term of confinement, the offender must be subject to community custody under the supervision of DOC and the authority of the ISRB for a period of time as determined by the ISRB.

The Legislature must convene a task force to examine juvenile sentencing reform. Membership is prescribed, including four legislative members. The task force must undertake a thorough review of juvenile sentencing as it relates to the intersection of the adult and juvenile sentencing systems, and make recommendations for reform that promote improved outcomes for youth, public safety, and taxpayer resources. The review must include, but is not limited to the following:

- the process and circumstances for transferring a juvenile to adult jurisdiction, including discretionary and mandatory decline hearings and automatic transfer to adult jurisdiction;
- sentencing standards, term lengths, sentencing enhancements, and stacking provisions that apply once a juvenile is transferred to adult jurisdiction; and
- the appropriate custody, treatment, and resources for declined youth who will complete their term of confinement prior to reaching age 21.

The expenses of the task force must be paid jointly by the Senate and the House of Representatives. The task force must report its findings and recommendations to the Governor and the appropriate committees of the Legislature by December 1, 2014.

Votes on Final Passage:

Senate	48	0	
House	74	23	(House amended)
Senate	48	1	(Senate concurred)

Effective: June 1, 2014

SSB 5123

C 131 L 14

Establishing a farm internship program.

By Senate Committee on Ways & Means (originally sponsored by Senators Ranker, Hatfield, Hobbs, Parlette and Conway).

Senate Committee on Commerce & Labor
Senate Committee on Ways & Means
House Committee on Labor & Workforce Development
House Committee on Appropriations Subcommittee on Health & Human Services

Background: Generally, an individual who acts directly or indirectly in the interest of a for-profit business is considered an employee of that business, and a business that permits an individual to work is considered an employer, subjecting both the employee and employer to a number of state employment laws, including the Minimum Wage Act, the Industrial Insurance Act, the Employment Security Act, and the Industrial Welfare Act. Many of the different employment acts contain exemptions for specific groups of employees and employers. Referring to an individual as an intern or volunteer, or allowing an individual to provide services without compensation, does not exempt the employer or the employee from provisions of the respective acts.

Minimum Wage Act (MWA). The MWA establishes a minimum wage that must be paid to all employees in the state. Under the MWA, an employee is any individual employed by an employer except those specifically excluded in statute. Consequently, any individual who is engaged or permitted to work for an employer is entitled to the state minimum wage. A number of individuals are exempt from the MWA, including certain agricultural employees and volunteers for educational, charitable, religious, governmental, and nonprofit organizations.

Industrial Insurance Act. Industrial insurance provides medical and time-loss benefits to workers injured in the course of their employment. Industrial insurance coverage is mandatory, and employers that maintain coverage generally cannot be sued for damages when an employee suffers a work-related injury. All employers, except for self-insured employers, must purchase industrial insurance through the Department of Labor and Industries (L&I), and the workers' compensation system is funded by premiums collected from employers and employees. Premiums are calculated based on the industry risk classification and the employer's experience rating. Exemptions to mandatory coverage are specified in statute.

Employment Security Act. Under the Employment Security Act, qualified individuals who have lost their job through no fault of their own, or for good cause, can collect unemployment insurance benefits. Benefits are funded by contributions collected from all employers in the state. Exemptions to unemployment insurance coverage are specified in statute, and include an exemption for agricultural labor performed by students.

Industrial Welfare Act (IWA). The IWA regulates hours and conditions of labor and other wage issues not specifically covered by the MWA. The IWA applies to all employers and employees in the state unless specifically exempt. Agricultural workers exempt from unemployment insurance are also exempt from the IWA.

Farm Internship Program. In 2010 the Legislature directed L&I to establish a farm internship pilot project for

San Juan and Skagit counties. The pilot project expired on December 31, 2011.

Summary: Farm Internship Program. Qualified small farms in the following counties are eligible to participate in a farm internship pilot project: San Juan, Skagit, King, Whatcom, Kitsap, Pierce, Jefferson, Spokane, Yakima, Chelan, Grant, Kittitas, Lincoln, Thurston, Island, and Snohomish.

Qualified small farms may employ up to three farm interns at any time, working under special certificates issued by L&I. A farm intern is an individual who provides services to a small farm under a written agreement and primarily as a means of learning about farming practices and farm enterprises. Farms seeking to employ interns must submit an application to L&I and execute an agreement with the intern that sets forth specific information including a description of the work to be performed, any wages to be paid, and a description of the farm internship program. The written agreement must explicitly state that the intern is not entitled to unemployment benefits or wages and must provide the anticipated number of work and instruction hours per week.

The internship program must:

- provide a curriculum and supervised participation in farm activates designed to teach interns about farming practices;
- be based on the bona fide curriculum of an educational or vocational institution; and
- be reasonably designed to provide the intern with vocational knowledge and skills about farming practices.

Upon receiving an application from a small farm, L&I must review the application and issue a certificate within 15 days if:

- the farm qualifies as a small farm;
- there have been no serious MWA or Industrial Insurance Act violations that provide grounds to believe the terms of the internship would not be followed;
- the intern program will not create unfair competitive labor cost advantages, and will not impair nor depress wage or working standards established for experienced workers in the same industry or occupation;
- the intern will not displace an experienced worker; and
- the farm has an acceptable internship program.

Under the pilot project, farm interns providing services under a farm internship program are not considered employees under the MWA during the effective period of a certificate. Similarly, agricultural labor provided by a farm intern for a for-profit farm is not considered employment for unemployment insurance purposes. L&I must adopt a special industrial insurance risk class for farm interns. L&I must limit the administrative costs of implementing the farm internship pilot program by relying on farm organizations and other stakeholders to perform outreach and inform the community of the program, and by limiting employee travel to the investigation of allegations of noncompliance with program requirements.

L&I must monitor and evaluate the pilot project and report back to the Legislature by December 31, 2017.

Votes on Final Passage:

Senate	46	0
House	88	9

Effective: June 12, 2014

SB 5141

C 167 L 14

Allowing motorcycles to stop and proceed through traffic control signals under certain conditions.

By Senators King, Eide, Rivers, Sheldon, Hatfield, Delvin, Ericksen, Carrell, Padden, Harper, Keiser, Rolfes, Shin, Holmquist Newbry, Roach and Kline.

Senate Committee on Transportation
House Committee on Transportation

Background: All vehicle operators are required to obey traffic control devices, including traffic signals at intersections. Some of these traffic signals are equipped with sensors that determine when a vehicle has approached the intersection. Once detected by the sensor, the traffic signal will initiate a change in, or extension of, a traffic signal phase, for instance, a change from a red light to green.

Summary: If a motorcyclist approaches an intersection, including a left turn intersection, controlled by a triggered traffic control signal using a vehicle detection device, and that signal is inoperative due to the size of the motorcycle, the motorcyclist must come to a complete stop. If the signal fails to operate after one cycle, the motorcyclist may proceed through the intersection or turn left after exercising due care.

It is not a defense to a traffic citation for failure to obey a traffic control signal when a motorcyclist proceeds under the belief that a traffic control signal used a vehicle detection device, when it did not; or a traffic control signal was inoperative due to the size of the motorcycle, when the device was in fact operative.

Votes on Final Passage:

Senate	46	2	
House	90	8	(House amended)
Senate			(Senate refused to concur/asked House to recede)
House	91	7	(House receded)

Effective: June 12, 2014

SSB 5173
C 168 L 14

Respecting holidays of faith and conscience.

By Senate Committee on Commerce & Labor (originally sponsored by Senators Hasegawa, Kline, Frockt and Chase).

Senate Committee on Commerce & Labor
House Committee on Judiciary
House Committee on Appropriations

Background: The following are current legal state holidays: Sunday, New Year's Day, Martin Luther King Jr. Day, President's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving and the day following, and Christmas. State employees are entitled to one paid holiday per calendar year in addition to these legal holidays. State employees can select the day to take this additional paid holiday after consultation with their employer.

Children must attend public school between the ages of 8 and up to 18 with some exceptions. Some of these exceptions include the following: the child is attending a private school, the child is being home-schooled, the child is attending an education center, the child is 16 years of age and is employed, or the child has met graduation requirements. Parents can request that a child be temporarily excused from school for purposes agreed upon by the school authorities and the parent, provided that the absences do not cause serious adverse effect upon the student's educational progress. Students excused for these temporary, agreed-upon absences can be claimed as full-time equivalent students to the extent they would otherwise have been claimed, for the purposes of annual basic education allocation compliance, basic education minimum instructional requirements, and enrollment calculations.

Summary: Employees of the state and its political subdivisions, including employees of school districts and nonclassified employees of higher education institutions who hold appointments or are employed under contracts for less than 12 consecutive months, are entitled to two unpaid holidays per calendar year for reasons of faith or conscience or for an organized activity conducted under the auspices of a religious denomination, church, or religious organization. Employees of public institutions of higher education, including community colleges, technical colleges, and workforce training programs are included in the group of employees who can take the two unpaid days. An employer must allow an employee to take an unpaid holiday unless the employee's absence would impose an undue hardship on the employer or the employee is necessary to maintain public safety. The Office of Financial Management must establish a definition for undue hardship.

Subject to approval by the students' parents, students are excused from school for reasons of faith or conscience or for an organized activity conducted under the auspices of a religious denomination, church, or religious organization for up to two days per academic year without penalty. Students excused for these absences may still be claimed as full-time equivalent students. The student absences will not affect school district compliance with basic education minimum instructional requirements, annual basic education allocation requirements, or enrollment calculations. The student absences may not mandate school closures.

Institutions of higher education and state-funded workforce training programs must develop policies to accommodate student absences for reasons of faith or conscience to prevent adverse effects on students' grades.

Votes on Final Passage:

Senate	47	0	
House	64	32	(House amended)
Senate	49	0	(Senate concurred)

Effective: June 12, 2014

SB 5310
C 78 L 14

Creating a senior center license.

By Senators Nelson, Kohl-Welles, Chase, Harper, Keiser and Conway.

Senate Committee on Commerce & Labor
House Committee on Government Accountability & Oversight

Background: Nonprofit organizations can currently obtain a retailer's special occasion license to sell spirits, beer, and wine by an individual serving for on-premises consumption at specified events. The date and place must be specified. The fee for a special occasion license is $60 per day. Sales are limited to no more than 12 calendar days per year for such events. Exceptions to the 12 calendar day limit are allowed for agricultural county and area fairs.

Summary: A new retail liquor license is created which is designated a senior center license. Nonprofit organizations whose primary service is providing recreational and social activities for seniors on the licensed premises (senior centers) may qualify for a retail liquor license if they pay a $720 annual license fee, provide limited food service, comply with regulations established by the Liquor Control Board, and require servers to have a valid mandatory alcohol server training permit. This license allows on-premises sale of spirits, beer, or wine by the glass for consumption on the premises.

Votes on Final Passage:

Senate	40	8
House	84	12

Effective: June 12, 2014

SB 5318
C 183 L 14

Removing the one-year waiting period for veterans or active members of the military for purposes of eligibility for resident tuition.

By Senators Bailey, Becker, Roach, Hobbs, Holmquist Newbry, Honeyford, Hill, Chase, Billig, Kline, Cleveland, Carrell and Shin.

Senate Committee on Higher Education
Senate Committee on Ways & Means
House Committee on Higher Education
House Committee on Appropriations

Background: In Washington, as in most other states, establishing residency for tuition purposes at public institutions of higher education has two components: the establishment of an official domicile, and a waiting period of one year after establishing a domicile. A collection of evidence is required to prove an individual's domicile. Individuals can only have one legal domicile in the U.S. at one time.

In current law, the term resident student covers many different types of active military duty students, spouses, and dependents, including the following:

- a student who is on active military duty stationed in the state or who is a member of the Washington National Guard;
- a student who is the spouse or a dependent of a person who is on active military duty stationed in the state;
- a student who resides in Washington and is the spouse or a dependent of a person who is a member of the Washington National Guard;
- a student who resides in Washington and is on active military duty stationed in certain Oregon counties; and
- a student who resides in Washington and is the spouse or a dependent of a person who resides in Washington and is on active military duty stationed in certain Oregon counties.

The term active military duty means the person is serving on active duty in:

- the armed forces of the United States government; or
- the Washington National Guard; or
- the Coast Guard, Merchant Marines, or other nonmilitary organization when such service is recognized by the U.S. government as equivalent to service in the armed forces.

Summary: The definition of resident student is revised to include the following:

- a student who is on active military duty or a member of the National Guard who entered service as a Washington resident and has maintained Washington as their domicile but is not stationed in the state;
- a student who is a spouse or a dependent of a person who is on active military duty or a member of the National Guard who entered service as a Washington resident and has maintained Washington as their domicile but is not stationed in the state;
- a student who has separated from the military under honorable conditions after at least two years of service, enters an institution of higher education in Washington within one year of the date of separation, and meets one or more criteria regarding a connection or intended connection to Washington; and
- a student who is the spouse or a dependent of an individual who has separated from the military under honorable conditions after at least two years of service and meets certain criteria regarding a connection or intended connections to Washington.

Votes on Final Passage:

Senate	45	0
House	96	0

Effective: June 12, 2014

SSB 5360
C 210 L 14

Addressing the collection of unpaid wages.

By Senate Committee on Commerce & Labor (originally sponsored by Senators Conway, Keiser, Hasegawa, Kohl-Welles, Frockt and Kline; by request of Department of Labor & Industries).

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

Background: The Wage Payment Act allows the Department of Labor & Industries (L&I) to collect unpaid wages on behalf of workers. A worker who believes an employer owes the worker wages can file a wage complaint with L&I. Upon receipt of a wage complaint, L&I has 60 days to investigate the complaint and determine whether the employer owes wages. If L&I determines that wages are owed, a citation and notice of assessment will be issued and sent to the employer and employee. L&I can order the employer to pay wages owed, including interest, and a civil penalty if the violation was willful.

If a final order is issued and the employer defaults in payment of wages owed or the civil penalty, L&I can file a warrant with the county clerk, the amount of which becomes a lien on the employer's real or personal property.

If L&I believes any person or entity possesses any property belonging to the employer, L&I can issue a notice to withhold and deliver (NWD). An NWD allows L&I to levy the employer's property held by third parties, including banks and other financial institutions. NWDs must be served personally or via certified mail. A person or entity

who receives an NWD has 20 days to respond, and if the person or entity possesses any property subject to the claim, the property must be promptly delivered to L&I.

The Department of Revenue (DOR) also uses NWDs to secure payment of delinquent taxes. DOR is authorized to electronically serve the NWD to financial institutions.

Summary: L&I may electronically serve NWDs to financial institutions by providing a list of outstanding warrants to DOR. DOR may include the L&I warrants in any NWD served by DOR.

A financial institution served with an electronic NWD must respond within 30 days.

Votes on Final Passage:

Senate	48	0
House	98	0

Effective: June 12, 2014

SSB 5467

C 79 L 14

Concerning vehicle owner list furnishment requirements.

By Senate Committee on Transportation (originally sponsored by Senators King, Eide, Litzow and Harper).

Senate Committee on Transportation
House Committee on Transportation

Background: The Driver Privacy Protection Act (DPPA), enacted by Congress in 1994, regulates state governments' release of personal information contained in an individual's motor vehicle record. DPPA defines personal information as information that identifies an individual, including an individual's photograph, social security number, driver identification number, name, address – but not zip code, telephone number, and medical or disability information. There are 14 specified allowable uses of personal information by different entities listed in the DPPA.

Regarding the disclosure of lists of registered motor vehicle owners, current Washington State law is more restrictive than DPPA in that there are fewer permissible uses and entities identified. The Department of Licensing (DOL) may furnish lists of registered and legal owners of motor vehicles to the following entities for the specified purposes: (1) motor vehicle manufacturers, for safety recalls; (2) U.S. and Canadian governmental agencies, for use in enforcement of vehicle or traffic laws; (3) commercial parking companies, to notify owners of outstanding parking violations; (4) DOL agents, to provide certain information to motor vehicle dealers; (5) businesses making loans for the purchase of motor vehicles, to assist in determining whether to provide financing; and (6) the operator of a toll facility, to identify toll violators.

The following activities related to obtaining or the use of information contained in a vehicle record constitute a gross misdemeanor: unauthorized disclosure of information from a vehicle record; use of false representation to obtain information from a vehicle record; the use of information for a purpose other than what is stated in the request for information or disclosure agreement; or, the sale or other distribution of any vehicle owner name or address to another person not disclosed in the request or disclosure agreement.

Summary: The purposes for which DOL must provide a list of registered motor vehicle owners to the manufacturer of motor vehicles or their agents is broadened to reflect all of the disclosures required under the federal DPPA as well as include the manufacturers of vehicle component parts.

The purposes for which DOL may furnish lists of registered owners of motor vehicles to specified entities are expanded to include the following:

- subject to some limitations, vehicle manufacturers, legitimate businesses, or their agents for use in research activities and in producing statistical reports, as long as the personal information is not published, redisclosed, or used to contact individuals;
- an insurer or insurance support organization or their agent for use in connection with claims investigation, antifraud, rating, or underwriting activities;
- local government entities or their agents for use in providing notice to owners of towed and impounded vehicles; and
- government agencies or their agents requiring the names and addresses of registered owners to notify them of outstanding parking violations.

Prior to the release of any information, DOL must enter into a contract with an authorized entity. The contract must contain provisions requiring DOL or its agent to conduct regular permissible use and data security audits. However, DOL must accept an audit from a data recipient if it was performed by an independent third party and it meets recognized national or international audit standards.

DOL must charge fees for lists of vehicle owners requested by private entities as follows:

	January 1, 2015	January 1, 2016	January 1, 2021
Bulk Data Purchase	$10/1000 records	$20/1000 records	$25/1000 records
Regular Data Updates	$0.01/record	$0.02/record	$0.025/record

DOL must deposit the fee revenue into the newly created DOL technology improvement and data management account. The monies in the account may be appropriated only for investments in technology and data management.

Personal information received by an authorized entity may not be released for direct marketing purposes. Highly restricted personal information may not be disclosed by DOL.

Votes on Final Passage:

Senate	30	17	
House	94	3	(House amended)
Senate	40	6	(Senate concurred)

Effective: June 12, 2014

SSB 5691
C 184 L 14

Concerning veterans' homes.

By Senate Committee on Ways & Means (originally sponsored by Senators Hewitt, Conway and Rolfes).

Senate Committee on Governmental Operations
Senate Committee on Ways & Means
House Committee on Community Development, Housing & Tribal Affairs
House Committee on Appropriations

Background: Article X, section 3 of the Washington State Constitution calls for the Legislature to provide for the maintenance of a soldiers' home for honorably discharged Union soldiers, sailors, marines, and members of the state militia disabled while in the line of duty and who are citizens of the state. Currently, the Department of Veterans' Affairs operates the state's three veterans' homes: the Washington Soldiers' Home and Colony, located in Orting; the Washington Veterans' Home, located in Retsil; and the Spokane Veterans' Home, located in Spokane.

The Soldiers' Home at Orting was opened in 1891 and has a residential capacity of 183. The Colony, designed to serve eligible veterans and their families residing in the Orting School District, was added in 1905 and has a capacity of 24 members. The Washington Veterans' Home, opened in 1910, has a current resident capacity of 262. The Spokane Veterans' Home opened October 1, 2001, and has 100 skilled-level nursing beds. The Orting and Retsil homes provide three levels of care: domiciliary, assisted-living, and skilled nursing.

Indigent veterans and their spouses or domestic partners are eligible to apply for admission to a state veterans' home. All veterans' homes are Medicare and Medicaid-certified facilities.

Summary: The Walla Walla Veterans' home is established and maintained as a branch of the state soldiers' home, and any veterans, veterans' spouses, or parents of children who died while serving in the armed forces may apply for admission.

The requirement that a veteran or a veteran's spouse or domestic partner be indigent to apply for admission to a state veterans' home is removed.

Parents of any child who died while serving in the armed forces may be admitted as residents to a state veterans' home.

The requirement that state veterans' homes provide both domiciliary and nursing care is removed.

Votes on Final Passage:

Senate	48	0	
House	97	0	

Effective: June 12, 2014

SB 5775
C 185 L 14

Allowing for a veteran designation on drivers' licenses and identicards.

By Senators Benton, Hobbs, Brown, Ericksen, Conway and Rivers.

Senate Committee on Transportation
House Committee on Transportation

Background: The Department of Licensing (DOL) issues driver's licenses and identicards. The fee for driver's licenses and identicards is $9 per year. Currently driver's licenses and identicards are generally issued for a period of five years, but after July 2013, driver's licenses and identicards will be valid for a period of six years.

The United States Department of Defense issues a document known as DD Form 214 that constitutes a verified record of a service member's time in the military. This form also shows a service member's reason for discharge. Government agencies use this form to determine eligibility for certain veteran benefits.

Summary: A person may apply to DOL to obtain a veteran designation on a driver's license or identicards. The person must provide the Department of Defense discharge document, DD Form 214, that shows a discharge status of honorable or general under honorable conditions, and establishes the person's service in the armed forces.

Votes on Final Passage:

Senate	47	1	
House	96	0	(House amended)
Senate	49	0	(Senate concurred)

Effective: August 30, 2017

2ESSB 5785
C 80 L 14

Modifying requirements for the display and replacement of license plates.

By Senate Committee on Transportation (originally sponsored by Senators Ericksen, Rolfes, King, Ranker and Eide).

Senate Committee on Transportation
House Committee on Transportation

Background: Vehicle License Plates. Vehicles that are registered for use on public highways are issued license plates. Two identical license plates are issued for most passenger cars and pickup trucks; they must be displayed

horizontally and conspicuously at the front and rear of the vehicle. When a vehicle changes ownership, the license plates follow the vehicle unless the seller applies to transfer the license plates to a replacement vehicle. There is a fee of $20 to transfer license plates to a different vehicle.

The Department of Licensing (DOL) must determine how frequently license plates must be replaced to ensure maximum legibility and reflectivity. In doing so, DOL must use empirical studies documenting the longevity of the reflective materials. DOL has established, through rule, a seven-year replacement period for license plates. License plates must also be replaced if they have been lost, defaced, or are illegible and may be replaced at any time the owner chooses. There is a $10 per plate fee for a standard issue license plate and a $2 per plate reflectivity fee. When license plates are replaced, new license plates with a new number are issued for the vehicle; however upon application and payment of the $20 plate retention fee, the owner may retain their plate number.

Vehicle Registration and Renewal. Generally, vehicles that are operated on public highways must be registered with DOL. At the time of original registration, a registration year is assigned. A vehicle registration is valid for 12 months.

At the time of vehicle registration and annual registration renewal, a $30 vehicle license fee and various other statewide fees are due, including vehicle weight fees of $10 to $30 depending on the weight of the vehicle, the $0.50 license service fee, and the $0.25 license plate technology fee. In addition to statewide fees, various locally imposed taxes and fees are collected at vehicle registration renewal, such as local vehicles fees imposed by a transportation benefit district. Additionally, within the boundary of the regional transit authority, Sound Transit, there is a motor vehicle excise tax that is collected at the time of annual renewal.

Summary: The requirement to periodically replace license plates is removed. However, a license plate must be replaced at the time a vehicle changes ownership, at which time vehicle registration expires as well. A license plate does not expire when the change in ownership is related to a transfer between immediate family members or from a trust; when a lien holder is added or removed from a title or a leaseholder buys the leased vehicle; when removing a deceased spouse or domestic partner; or when the owner changes the owner's name.

A vehicle registration is valid for 12 months or until the vehicle changes ownership. The new owner must make application for new license plates and registration renewal and pay any taxes and fees that are due at registration renewal. The new owner of a vehicle applying for a renewal registration must be credited for any motor vehicle excise tax paid by the previous owner that expired. The new owner may apply to retain the current license plates. New license plates and registration do not need to be obtained for vehicles that are sold to vehicle dealers until the dealer sells the vehicle.

This act applies to vehicle registrations that are due or become due on or after January 1, 2015.

Votes on Final Passage:

Senate	47	0	
House	95	3	(House amended)
Senate	45	1	(Senate concurred)

Effective: June 12, 2014

SSB 5859

C 57 L 14

Providing enhanced payment to small rural hospitals that meet the criteria of a sole community hospital.

By Senate Committee on Ways & Means (originally sponsored by Senators Braun, Hatfield, Holmquist Newbry and Hargrove).

Senate Committee on Ways & Means
House Committee on Health Care & Wellness
House Committee on Appropriations

Background: Sole Community Hospital (SCH) is a federal hospital classification for hospitals that meet certain criteria based on location, size, or distance. To be designated as an SCH by the Centers for Medicare and Medicaid Services (CMS) the hospital must meet one of the following criteria:

1. The hospital is located at least 35 miles from other like hospitals;
2. The hospital is rural – located in a rural area, located between 25 and 35 miles from other like hospitals, and meets one of the following criteria:
   a. no more than 25 percent of residents who become hospital inpatients or no more than 25 percent of the Medicare beneficiaries who become hospital inpatients in the hospital's service area are admitted to other like hospitals located within a 35-mile radius of the hospital or, if larger, within its service area; or
   b. the hospital has fewer than 50 beds and would meet the 25 percent criterion above if not for the fact that some beneficiaries or residents were forced to seek specialized care outside of the service area due to the unavailability of necessary specialty services at the hospital;
3. The hospital is rural and located between 15 and 25 miles from other like hospitals but because of local topography or periods of prolonged severe weather conditions, the other like hospitals are inaccessible for at least 30 days in each of two out of three years; or
4. The hospital is rural and because of distance, posted speed limits, and predictable weather conditions, the

travel time between the hospital and the nearest like hospital is at least 45 minutes.

There are five hospitals in Washington that are designated sole community by CMS. These are Grays Harbor Community in Aberdeen, Olympia Medical Center in Port Angeles, Providence Centralia in Centralia, Samaritan in Moses Lake, and St. Joseph in Bellingham.

An SCH-designated hospital can receive increased payment rates based on certain specified criteria as described in federal law. Currently these five hospitals only receive enhanced payment rates for Medicare and do not receive enhanced rates for Medicaid payments. The state must request a Medicaid state plan amendment and have CMS approve this amendment for the increased rates to take effect.

The certified public expenditure hospital program is a payment methodology that applies to public hospitals, including government-owned and operated hospitals that are not designated as Critical Access or state psychiatric hospitals. This program allows public hospitals to certify their expenses as the state share in order to receive federal matching Medicaid funds.

Summary: Beginning January 1, 2015, SCHs that were designated sole community by CMS as of January 1, 2013, have fewer than 150 acute care licensed beds as of fiscal year 2011, have a Level III adult trauma service designation from the Department of Health as of January 1, 2014, and are owned and operated by the state or a political subdivision, must have their Medicaid rates increased by 25 percent over the hospital's fee-for-service rates. The increased rates do not apply to inpatient rates for those SCHs that participate in the certified public expenditure hospital program.

Votes on Final Passage:

Senate	47	1	
House	97	0	(House amended)
Senate	46	3	(Senate concurred)

Effective: June 12, 2014

ESSB 5875

C 200 L 14

Concerning a surcharge for local homeless housing and assistance.

By Senate Committee on Ways & Means (originally sponsored by Senator Hill).

Senate Committee on Ways & Means

Background: The Legislature enacted the Homeless Housing and Assistance Act (Act) in 2005, with the goal of reducing homelessness by 50 percent statewide and in each county by 2015. The Department of Commerce (Commerce), with the support of the Interagency Council on Homelessness and the Affordable Housing Advisory Board, is responsible for preparing and publishing a ten-year homeless housing strategic plan with statewide goals and performance measures, and providing biennial progress reports to the Governor and the Legislature. Local areas must also have ten-year plans that are substantially consistent with the state plan.

A $40 surcharge is imposed on recording of certain documents with county auditors for local homeless housing and assistance. The surcharge applies to certain documents relating to real property specified in statute including deeds, mortgages, community property agreements, leases, and other documents related to property ownership**,** as well as other documents pertaining to real property as determined by Commerce. The surcharge specifically does not apply to assignments or substitutions of previously recorded deeds or trusts, or any documents exempt from a recording fee by state law.

Of the $40 recording surcharge, the county auditor retains 2 percent; 60 percent goes to the county for homeless housing and assistance, of which 6 percent may be used by the county for administrative costs; and the remaining funds are deposited into the Home Security Fund account for homeless housing programs administered by Commerce. Commerce may use 12.5 percent of the funds for administrative fees and the remaining 87.5 percent is used to provide housing and shelter for homeless people and fund the homeless housing grant program.

The document recording surcharge is currently $40 per recorded document, but is scheduled to reduce to $30 in 2015, and to $10 in 2017.

Summary: The $40 document recording surcharge is extended to June 30, 2019. Documents subject to the recording surcharge are simplified and the exemption from the surcharge is expanded.

Of the recording surcharge funds used by Commerce, at least 45 percent must be used for private rental housing payments. Private rental housing is defined to mean housing owned by a private landlord and does not include housing owned by a nonprofit housing entity or government entity. Commerce is required to make reasonable efforts to ensure local providers conduct outreach to private rental housing landlords each calendar quarter regarding availability of funds.

The Office of Financial Management (OFM) is required to obtain an independent audit of Commerce's expenditures of document recording surcharge funds annually. The audit must review a random sample of local governments, contractors, and providers that is geographically and demographically diverse. A preliminary audit report must be presented to Commerce and one landlord representative to make comments regarding the findings to include in the audit. The first audit is due July 1, 2015, for the calendar year 2014 report, and each July 1 thereafter following the Commerce's submission of the report to the Legislature. If the independent audit finds that Commerce fails to use 45 percent of its funds for private rental housing payments, Commerce must submit a correction action

plan to OFM. If Commerce does not correct its actions, OFM must reduce Commerce's allotments and expenditures in the same amount. The independent audit must recommend an alternative method distributing funds in this event.

OFM must contract for an independent audit to conduct a performance audit of the use of document recording surcharges provided in RCW 36.22.178, 36.22.179, and 36.22.1791. The performance audit is due December 1, 2016.

Commerce must convene a stakeholder group to discuss long-term funding options for homeless housing programs that do not include document recording surcharges. The group must be convened by March 1, 2017, and report to the Legislature by December 1, 2017.

Votes on Final Passage:

Senate	41	8
House	74	22

Effective: June 12, 2014

ESSB 5889

C 30 L 14

Modifying snowmobile license fees.

By Senate Committee on Ways & Means (originally sponsored by Senators Nelson, Schlicher, Fain, Hatfield, Hewitt, Fraser and Kohl-Welles).

Senate Committee on Ways & Means
House Committee on Appropriations

Background: The State Parks and Recreation Commission (Commission) administers a winter recreation program that includes 120 sno-parks statewide. Approximately 80 of these sno-parks are used primarily for snowmobile trail access and the other 40 provide non-motorized trail access for cross-country skiers. The snowmobile program and the non-motorized program are separately funded and must be financially self supporting. The snowmobile program is funded from snowmobile registration fees and a percentage of the state gasoline tax, which is $0.23 per gallon of fuel, based on 135 gallons of fuel usage per year per registered snowmobile. The non-motorized program is funded by the proceeds from the sno-park parking permit fees. The Snowmobile Advisory Committee and the Winter Recreation Advisory Committee advise the Commission on the use of funds for costs associated with snow removal, trail grooming, enforcement, equipment purchases, safety education, and program administration.

Generally, snowmobiles must be registered with the Department of Licensing if owned and operated in the state, and display a snowmobile decal. The initial fee and annual registration fee is $30. The owner of a registered snowmobile receives a free annual sno-park permit. A vintage snowmobile is defined as a snowmobile that was manufactured at least 30 years ago. The registration fee for a vintage snowmobile is $12 annually.

Summary: The snowmobile initial and renewal registration fees are increased from $30 to $40 until October 1, 2015, for registrations due on or after October 1, 2014. The snowmobile initial and renewal registration fees are increased from $40 to $50 for registrations due on or after October 1, 2015.

Votes on Final Passage:

Senate	38	9
House	75	23

Effective: June 12, 2014
October 1, 2015 (Section 2)

SB 5931

C 31 L 14

Clarifying the requirements for health plans offered outside of the exchange.

By Senators Hargrove, Becker and Keiser.

Senate Committee on Health Care
House Committee on Health Care & Wellness

Background: The federal Affordable Care Act (ACA) specifies four categories of health plans to be offered in the individual and small group markets in the Health Benefit Exchange (Exchange) and outside the Exchange. The categories are based on the actuarial value of the plans, i.e., the percentage of the costs the plan is expected to pay:

- platinum: 90 percent of the actuarial value of the benefits under the plan;
- gold: 80 percent of the actuarial value of the benefits under the plan;
- silver: 70 percent of the actuarial value of the benefits under the plan; and
- bronze: 60 percent of the actuarial value of the benefits under the plan.

State legislation passed in 2012 established criteria for the Exchange and market rules for carrier offerings. For plan or policy years beginning January 1, 2014, a carrier must offer individual or small group health benefit plans at the silver and gold level in any market outside the Exchange in which it offers a bronze level plan. All health plans outside the Exchange, other than catastrophic plans, must conform to the platinum, gold, silver, and bronze value tiers specified in the ACA.

Certain group health plans and individual health plans that were created before the ACA became effective are grandfathered and do not need to meet all the requirements of the ACA.

Summary: For plan or policy years beginning January 1, 2014, a carrier that offers a bronze level health benefit plan in the individual market must also offer silver and gold level plans in the individual market, and a carrier that of-

fers a bronze level health benefit plan in the small group market must also offer silver and gold level plans in the small group market.

Only non-grandfathered individual and small group plans offered outside the Exchange, other than catastrophic plans, must conform to the platinum, gold, silver, and bronze value tiers specified in the ACA.

Votes on Final Passage:

Senate	46	3
House	93	4

Effective: June 12, 2014

ESSB 5952

C 2 L 13 E 3

Incentivizing a long-term commitment to maintain and grow jobs in the aerospace industry in Washington state by extending the expiration date of aerospace tax preferences and expanding the sales and use tax exemption for the construction of new facilities used to manufacture superefficient airplanes to include the construction of new facilities used to manufacture commercial airplanes or the wings or fuselage of commercial airplanes.

Senate Committee on Ways & Means (originally sponsored by Senators Hill, Fain, Ericksen, Tom, Fraser, Eide, King, Hatfield, Hobbs, Bailey, Schoesler, Brown, Baumgartner, Litzow, Sheldon, O'Ban, Padden, Pearson, Mullet, Parlette, Benton, Roach and Ranker; by request of Governor Inslee).

Senate Committee on Ways & Means

Background: Business and Occupation Tax. Washington's major business tax is the business and occupation (B&O) tax. The B&O tax is imposed on the gross receipts of business activities conducted within the state, without any deduction for the costs of doing business. Businesses must pay B&O tax even though they may not have any profits or may be operating at a loss. A business may have more than one B&O tax rate, depending on the types of activities conducted. Major tax rates are 0.471 percent for retailing; 0.484 percent for manufacturing, wholesaling, and extracting; and 1.5 percent for services, and activities not classified elsewhere. Several lower rates also apply to specific business activities.

Sales and Use Tax. Retail sales taxes are imposed on retail sales of most articles of tangible personal property, digital products, and some services. A retail sale is a sale to the final consumer or end user of the property, digital product, or service. If retail sales taxes were not collected when the user acquired the property, digital products or services, then use taxes applies to the value of property, digital product, or service when used in this state. The state, most cities, and all counties levy retail sales and use taxes. The state sales and use tax rate is 6.5 percent; local sales and use tax rates vary from 0.5 percent to 3.0 percent, depending on the location.

Property Tax. Property taxes are imposed by state and local governments. All real and personal property in this state is subject to the property tax based on its value, unless a specific exemption is provided by law. There are exemptions for certain properties, including property owned by federal, state, and local governments, churches, farm machinery, and business inventory.

Property owned by federal, state, or local governments is exempt from the property tax. However, private lessees of government property are subject to the leasehold excise tax. The purpose of the leasehold excise tax is to impose a tax burden on persons using publicly owned, tax-exempt property similar to the property tax that they would pay if they owned the property. The tax is collected by public entities that lease property to private parties.

Legislative Background of Aerospace Tax Incentives. In 2003 the Legislature adopted tax incentives that were limited to aerospace manufacturers. The incentives included a reduction in the B&O tax rate; a B&O tax credit for pre-production development expenditures; and a B&O tax credit for property taxes paid on property used in the manufacture of commercial airplanes and airplane components. A leasehold tax exemption for port district facilities is available to manufacturers of super-efficient airplanes that are not using the B&O tax credit for property taxes. Also included were sales and use tax exemptions for computer equipment and software, and its installation, used primarily in the development of commercial airplanes and components. These exemptions are scheduled to end in 2024.

In addition, the Legislature reduced the B&O tax rate from 0.484 percent to 0.275 percent for firms that repair equipment used in interstate or foreign commerce. The firms must be classified by the Federal Aviation Administration (FAA) as a Federal Aviation Regulation part 145 certificated repair station with airframe and instrument ratings and limited ratings for nondestructive testing, radio, class 3 accessory, and specialized services.

Businesses that exercise any of these incentives file an annual report with the Department of Revenue (DOR). The report includes employment, wage, and employer-provided health and retirement benefit information for full-time, part-time, and temporary positions.

In 2006 the Legislature extended the sales and use tax exemption for computer equipment and software to manufacturing firms engaged in the development, design, and engineering of commercial airplanes and components of commercial airplanes. The B&O tax credit for preproduction development expenditures related to commercial aircraft was also extended to nonmanufacturing firms. Businesses that use these incentives file an annual report with the DOR.

In 2008 the Legislature extended aerospace tax programs to manufacturers, Federal Aviation Regulation (FAR) repair stations, and design/engineering services.

Sales and use tax exemptions were provided for computer equipment and software, and installation, which are used primarily in aerospace products or providing aerospace services. Until July 1, 2024, the B&O tax rate is 0.2904 percent for sales, either retail or wholesale, of commercial airplanes or components; the manufacturing or sales of tooling used in the manufacturing of commercial airplanes and components of airplanes; or persons classified by the Federal Aviation Administration as a FAR 145 certified repair station. Persons claiming this rate must file an annual survey with DOR. Persons performing aerospace product development are qualified for a 0.9 percent B&O rate and must file an annual survey with DOR. The preproduction 1.5 percent B&O tax credit on qualified expenditures was expanded to include Aerospace product development. The B&O tax credit for property taxes paid was extended to aerospace product development, the manufacturing of tooling, and FAR Part 145 certified repair stations.

Summary: The expiration date is extended from 2024 to 2040 for the following aerospace tax preferences:

1. the preferential B&O tax rate for the manufacturing, wholesaling, and retailing of commercial airplanes and airplane components;
2. the preferential B&O tax rate for the manufacturing, wholesaling, and retailing of tooling used in the manufacturing of commercial airplanes and airplane components;
3. the preferential B&O tax rate for retail sales by a part 145 certificated repair station;
4. the preferential B&O tax rate for businesses performing aerospace product development for others;
5. the B&O tax credit for aerospace product expenditures;
6. the B&O tax credit for property taxes and leasehold taxes on property used exclusively in manufacturing commercial airplanes or components of airplanes;
7. the sales and use tax exemptions for computer hardware, computer peripherals, and software used primarily in the development, design, and engineering of aerospace products; and
8. the leasehold excise tax exemption for lessees of port facilities used exclusively in manufacturing commercial airplanes.

The sales and use tax exemption for the construction of facilities used in the manufacturing of superefficient airplanes is modified to apply to facilities used for the manufacturing of commercial airplanes in general.

The act is contingent upon the DOR making a determination that a final decision to locate a significant commercial airplane manufacturing program in the state of Washington has occurred. If a decision to locate a significant commercial airplane manufacturing program is not made by June 30, 2017, the act is null and void.

A significant commercial airplane manufacturing program is the commencement of manufacturing of a new model of a commercial airplane or a new version of an existing model and the manufacturing of the fuselage and wings of the new model or new version.

The ongoing availability of the preferential B&O tax rate for the production of a new or remodeled commercial airplane is contingent upon maintaining all final assembly of the aircraft and wing assembly within the state.

The explicitly described public policy objective of the act is to maintain and grow Washington's aerospace industry workforce. The Joint Legislative Audit and Review Committee (JLARC) is required to review the tax preferences provided in the act by December 1, 2019, and every five years thereafter to determine whether this public policy objective is being achieved. The JLARC is required to specifically assess changes in aerospace industry employment in Washington in comparison with other states and internationally.

Votes on Final Passage:

Third Special Session		
Senate	42	2
House	75	11

Effective: Contingent

SB 5956

C 201 L 14

Concerning short-barreled rifles.

By Senators Hatfield, Sheldon and Braun.

Senate Committee on Law & Justice
House Committee on Judiciary

Background: With certain exceptions, it is a class C felony in Washington for a person to manufacture, own, buy, sell, loan, furnish, transport, or have in the person's possession a machine gun, short-barreled shotgun, or short-barreled rifle. It is an affirmative defense to prosecution that the person acquired the firearm prior to July 1, 1994, and possesses the firearm in compliance with federal law. Under both state and federal law, a short-barreled rifle is a rifle having a barrel or barrels less than 16 inches in length, or a weapon made from a rifle if the modified weapon has an overall length of less than 26 inches.

The National Firearms Act (NFA) regulates the manufacture, importation, and transfer of certain firearms, including short-barreled rifles. Items regulated under the NFA are referred to as NFA firearms. NFA firearms must be registered in a database maintained by the National Firearms Act Branch of the Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF). A person wishing to acquire an NFA firearm must obtain a certification from the local chief law enforcement officer, undergo a background check, obtain prior approval for the transfer, and pay a $200 tax on the transaction. ATF will not approve a trans-

fer if the transfer would place the transferee in violation of any federal, state, or local law. ATF also will not approve a transfer of an NFA firearm unless it is registered to the transferor. Unregistered NFA firearms generally may not be lawfully received, possessed, or transferred.

Under the NFA, people may make their own NFA firearm by applying to ATF and meeting certain requirements. These requirements include obtaining prior approval and registration of the item, obtaining a certification from the chief of the local law enforcement agency, undergoing a background check, and paying a $200 tax on the item.

A person who possesses a firearm registered in the National Firearms Registration and Transfer Record must retain proof of registration which must be made available to ATF upon request.

Summary: It is not unlawful for a person to possess, transport, acquire, or transfer a short-barreled rifle that is legally registered and possessed, transported, acquired, and transferred in compliance with federal law.

Votes on Final Passage:

Senate	47	0
House	95	3

Effective: June 12, 2014

2SSB 5958

C 47 L 14

Concerning accountability in providing opportunities for certain students to participate in transition services.

By Senate Committee on Ways & Means (originally sponsored by Senators McAuliffe, Hargrove, Rolfes, Mullet, Hasegawa, Chase, McCoy, Fraser, Kline, Fain, Hill, Keiser, King and Rivers).

Senate Committee on Early Learning & K-12 Education
Senate Committee on Ways & Means
House Committee on Education

Background: Currently, the Office of Superintendent of Public Instruction (OSPI) has an interagency program agreement with the Division of Vocational Rehabilitation and the Department of Services for the Blind addressing implementation and the responsibility of each agency in coordinating transitions for students who are eligible for special education services under the Individuals with Disabilities Education Act.

OSPI offers transition services as a component of an Individualized Education Program (IEP) starting at age 16, which is consistent with federal law. OSPI must provide post-high school data to the U.S. Department of Education each year on post-high school outcomes for special education services students. OSPI also works with the Center for Change in Transition Services, housed at Seattle University, to track and report on post-school outcomes for special education services students.

The Education Research & Data Center (ERDC) is located in the Washington State Office of Financial Management. Along with ten agencies representing education and employment and the Legislative Evaluation and Accountability Program committee, ERDC analyzes early learning, K-12, higher education programs, and workforce issues across the P-20 system.

Summary: OSPI must establish interagency agreements with agencies that provide high school transition services for IEP eligible special education students. The purpose of the interagency agreements is to foster multiagency collaboration to provide transition services for special education students from the beginning of transition services through age 21 or high school graduation, whichever occurs first. However, interagency agreements entered into by OSPI must not interfere with existing individualized education programs, nor override any individualized education program team's decision-making power.

Also, the agreements are intended to streamline services and programs, promote efficiencies, and establish a uniform focus on improved outcomes related to self-sufficiency. However, transition services plan development in addition to what already exists in law is not required.

ERDC must monitor a number of outcomes for special education students after high school graduation, to the extent that data is available through data-sharing agreements established by ERDC. OSPI must prepare an annual report on the data and outcomes and submit the report to the Legislature within existing resources.

Votes on Final Passage:

Senate	47	0
House	91	7

Effective: June 12, 2014

ESB 5964

C 66 L 14Synopsis as Enacted

Concerning training public officials and employees regarding public records, records management, and open public meetings requirements.

By Senators Fain, Rivers, Braun, Hasegawa, Rolfes, Conway, Frockt, Tom, Keiser, Mullet and Hill; by request of Attorney General.

Senate Committee on Governmental Operations
House Committee on Government Operations & Elections

Background: The Open Public Meetings Act (OPMA) requires that all meetings of the governing body of a public agency be open to the public and all persons must be allowed to attend. For the purposes of OPMA, a public agency is defined broadly and includes, but is not limited to, any state board, commission, department, education institution, agency, local government, and special purposes district. A governing body is defined as a multi-member board, commission, committee, council, or other policy or

rulemaking body of a public agency or any committee thereof that is acting on behalf of the public agency.

The Public Records Act (PRA) requires that all state and local government agencies make all public records available for public inspection and copying unless certain statutory exemptions apply. Over 300 specific references in the PRA or other statutes remove certain information from application of the PRA, provide exceptions to the public disclosure and copying of certain information, or designate certain information as confidential. Under the PRA, a public record includes any writing containing information relating to the conduct of government or the performance of any governmental or proprietary function prepared, owned, used, or retained by any state or local agency, regardless of physical form or characteristics. The provisions requiring public records disclosure must be interpreted liberally while the exemptions are interpreted narrowly to effectuate the general policy favoring disclosure.

Summary: Every member of the governing body of a public agency must complete training in OPMA requirements within 90 days of assuming their duties, and complete training at least once every four years as long as the individual is a member of the agency's governing body. The training may be completed remotely.

Officials in statewide or local elective office must complete training in PRA requirements and records retention protocols within 90 days of assuming their duties, and complete refresher training at least once every four years as long as they remain in office. The training must be consistent with the Attorney General's model rules for PRA compliance and may be completed remotely.

Public records officers and records retention officers must complete training in PRA requirements and records retention protocols within 90 days of assuming their responsibilities, and complete refresher training at least once every four years as long as they remain designated as such. The training must be consistent with the Attorney General's model rules for PRA compliance and may be completed remotely.

Votes on Final Passage:

Senate	45	2
House	66	31

Effective: July 1, 2014

SSB 5969

C 186 L 14

Providing for awarding academic credit for military training.

By Senate Committee on Higher Education (originally sponsored by Senators O'Ban, McCoy, Schoesler, Hobbs, Hatfield, Brown, Conway, Rolfes, Braun, McAuliffe and Benton).

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

Background: Prior Learning Definition. Prior learning in Washington is defined as the knowledge and skills gained through work and life experience; through military training and experience; and through formal and informal education and training from in-state and out-of-state institutions including foreign institutions.

Prior Learning Assessment. Legislation enacted in 2011 directs the Washington Student Achievement Council (Council), the State Board for Community and Technical Colleges (SBCTC), the Council of Presidents of the four-year public baccalaureate institutions, the private independent higher education institutions, and the private career schools to collaborate to increase the number of students who receive academic credit for prior learning that counts toward their major, degree, or certificate, while ensuring credit is awarded only for high-quality, course-level competencies. Statute specifically charges the agencies and institutions to:

- ?increase the number of students who receive academic credit for prior learning that counts toward their major or toward earning their degree, certificate, or credential, while ensuring that credit is awarded only for high-quality, course-level competencies;
- increase the number and type of academic credits accepted for prior learning;
- develop transparent policies and practices in awarding academic credit for prior learning;
- improve prior learning assessment practices;
- create tools to develop faculty and staff knowledge and expertise in awarding credit for prior learning, and to share exemplary policies and practices among institutions of higher education;
- develop articulation agreements when patterns of credit for prior learning are identified for particular programs and pathways;
- develop outcome measures to track progress on goals; and
- report progress annually.

The Council and SBCTC jointly staff the Prior Learning Assessment (PLA) workgroup. In 2013 the PLA workgroup completed a draft statewide policy for prior learning assessment that provides an operational definition and guidance on tracking credits earned through the PLA workgroup that would apply to public two-year and four-year institutions of higher education. In addition, the PLA assessment was added to an existing reciprocity agreement between community and technical colleges. The expanded agreement allows for individual courses that meet certain requirements at the sending college to be considered to meet the requirements at the receiving college for a similar transfer degree.

Guides for Awarding Credit for Military Training. There are three national associations that develop guidelines for acceptance of military training and experience for transfer and the award of credit:

- the American Association of Collegiate Registrars and Admissions Officers;
- the American Council on Education (ACE); and
- the Council for Higher Education Accreditation.

Colleges and universities in Washington use the ACE Military Guide recommendations as a starting point to evaluate the award of credit toward certificates and degrees**.**

Summary: Each public institution of higher education must adopt a policy to award academic credit to individuals for certain military training courses or programs before December 31, 2015. Academic credit awarded for prior military training must be granted only for training that is applicable to a student's certificate or degree requirements. The individual must be enrolled in a public institution of higher education and have successfully completed any military training course or program as part of the individual's military service that:

- ?is recommended for credit by a national higher education association that provides credit recommendations for military training courses and programs;
- is included in the individual's military transcript issued by any branch of the armed services; or
- is documented military training or experience that is substantially equivalent to any course or program offered by the institution of higher education.

Each public institution of higher education must:

- ?develop a procedure for receiving the necessary documentation to identify and verify the military training course or program that an individual is claiming for academic credit;
- provide a copy of their policy to award academic credit for military training to any applicants who listed prior or present military service in their application; and
- develop and maintain a list of military training courses and programs that qualify for academic credit.

Each public institution of higher education must submit its policy for awarding academic credit for military training to the PLA workgroup.

Votes on Final Passage:

Senate	48	0
House	97	0

Effective: June 12, 2014

ESSB 5972

C 81 L 14

Specifying recovery for fire damages to public or private forested lands.

By Senate Committee on Natural Resources & Parks (originally sponsored by Senators Pearson, Rolfes, Hargrove, Mullet, Sheldon, Hewitt, Cleveland, Honeyford, Fain, Hill, Braun, Fraser, Litzow, Parlette, Frockt and Kline; by request of Commissioner of Public Lands).

Senate Committee on Natural Resources & Parks
House Committee on Agriculture & Natural Resources
House Committee on Judiciary

Background: Statutory Forest Fire Liability. In general, failure by a landowner to take reasonable care to prevent fire from spreading creates liability to any person suffering damage as a result.

More specifically, a person whose negligence is responsible for the start or existence of a fire is liable for the reasonable expenses of the responding firefighting entity. Likewise, those with knowledge of the existence of a fire must undertake reasonable suppression efforts or face liability for subsequent firefighting costs.

Common Law Forest Fire Liability. The longstanding common law rule is that a landowner is liable for damages proximately caused by negligence in starting or controlling a fire. In general, recoverable damages are those proximately resulting from that negligence. In determining damages, Washington courts have stated the intent to place the injured party as nearly as possible in the condition they would be had the injury not occurred.

The measure of property damage in a particular case is based on the type and extent of the damage. Common methods recognized by Washington courts include the following: the reasonable cost of restoration, which is generally applied in cases where damage can be repaired; or the difference between the value of the property before and after the injury, which is generally applied when damage is irreparable. For personal property damage that can be repaired, the general measure of damages is the lesser of the cost of restoration or the diminution in property value. While establishing these general rules, state courts have exercised flexibility in awarding damages depending on the particular circumstances.

Summary: Establishes an Exclusive Statutory Cause of Action. A new statutory cause of action is established for property damage to public or private forested lands (forested lands) resulting from a fire that started on or spread from forested lands. An affected owner of forested lands must bring this action in superior court. When it applies, the cause of action is the exclusive remedy for fire-related property damage.

Liability and Recoverable Damages. Liability under the new cause of action attaches where a person's action or

inaction relates to the start or spread of a fire, constitutes negligence or a higher degree of fault, and is a proximate cause of the property damage.

When liability attaches, recoverable property damages are limited to the following:

- Either (1) the difference in fair market value of the property immediately before and after the fire, or (2) the reasonable cost of restoration, to the extent permitted by Washington law. The fair market value determination for real property must be made by a state-certified real estate appraiser after evaluation of specified aspects of the property and consistent with standards of professional appraisal practice applicable to these appraisers.
- Reasonable fire suppression expenses, unless otherwise provided for in the fire protection statutes.
- Any other objectively verifiable monetary loss, such as loss of earnings, loss of use of property, and loss of business and employment opportunities.
- Damages for injury to archaeological objects, archaeological sites, or historic archeological resources in an action brought by a tribe, to be measured under an existing rule of the Department of Archaeology and Historic Preservation that provides for identification of an independent investigator and necessary site restoration actions.

Application. The new cause of action applies to property damage to forested lands resulting from a fire that started on or spread from forested lands.

Forested lands are those capable of growing tree species suitable for producing wood-based forest products, regardless of the existing land use. However, the term excludes lands where the predominant physical use of the land is inconsistent with growing, conserving, or preserving these tree species. Examples of inconsistent use include home sites of up to ten acres, airports, parking lots, cropfields, pastures, roads, and railroad and utility rights of way.

Other terms are defined. Corresponding changes are made to several statutes.

Votes on Final Passage:

Senate	35	12	
House	98	0	(House amended)
Senate	48	1	(Senate concurred)

Effective: June 12, 2014

2SSB 5973

C 32 L 14

Creating the community forest trust account.

By Senate Committee on Ways & Means (originally sponsored by Senators Rolfes, Pearson, Honeyford, Cleveland, Hargrove, Hewitt, Fraser, Litzow, Parlette, Kline and McAuliffe; by request of Commissioner of Public Lands).

Senate Committee on Natural Resources & Parks
Senate Committee on Ways & Means
House Committee on Agriculture & Natural Resources

Background: The Community Forest Trust (CFT) Program Generally. In 2011 the Legislature provided the Department of Natural Resources (DNR) with discretionary authority to create and manage CFTs. A CFT is a discrete category of non-fiduciary lands held by DNR and actively managed to generate financial support for the CFT and to sustain working forest conservation objectives.

The CFT program must satisfy statutory principles that include the following:

- protecting in perpetuity working forest lands that are at a significant risk of conversion to another land use;
- maintaining the land in a working status;
- generating revenue at levels that are, at a minimum, capable of reimbursing DNR for management costs; and
- providing for ongoing, sustainable public recreational access.

DNR may acquire lands for the CFT through purchase, donation, transfer, or a variety of means other than eminent domain. Once acquired, a CFT must be managed consistent with a management plan developed in cooperation with a local advisory committee.

Accounts Related to the CFT Program. The CFT law includes a variety of transactional elements involving either acquisition or distribution of funds:

- if state trust lands are transferred into the CFT, the value of that transfer must be provided to the beneficiaries of the trust;
- DNR must obtain a financial commitment from the local community prior to establishing a CFT; and
- legislative direction on how revenue from CFT lands may be used.

The Legislature authorized DNR to use the Resource Management Cost Account and Parkland Trust Revolving Fund to hold and manage funds relating to CFT acquisitions and DNR's management costs. Each of these accounts is also used by DNR to hold and manage funds that relate to transactions involving federally granted lands or state forest lands.

Summary: A new account, entitled the CFT account (account), is established for purposes of holding and managing funds relating to the CFT program. All funds received for CFT purposes, including appropriations, funds trans-

fers, and revenue from valuable material sales, must be deposited in the account. DNR may use funds from the account for purposes of the CFT program, such as for CFT acquisitions and reimbursement of its management costs.

The account is an appropriated account that retains its earned interest. The Commissioner of Public Lands generally approves account expenditures, except the Board of Natural Resources must do so for expenditures to acquire CFT land or reimburse state and local government contributions for an acquisition.

References to CFT-related funds are removed from the current Resource Management Cost Account and Parkland Trust Revolving Fund statutes.

Votes on Final Passage:

Senate	46	3
House	81	17

Effective: June 12, 2014
Contingent (Section 7)

SSB 5977

C 82 L 14

Addressing the regulation of service contracts and protection product guarantees.

By Senate Committee on Financial Institutions, Housing & Insurance (originally sponsored by Senators Hobbs and Fain).

Senate Committee on Financial Institutions, Housing & Insurance
House Committee on Business & Financial Services

Background: A protection product is any product that is offered or sold with a guarantee to repair or replace another product or pay the incidental costs upon the failure of the product to perform as contracted. A protection product guarantee is a written agreement by the protection product guarantee provider to repair or replace another product or pay incidental cost upon the failure of the protection product to perform pursuant to its terms. Protection products are regulated by the Office of Insurance Commissioner (OIC).

A service contract is a contract for separate consideration for any specific duration to repair, replace, or maintain property; or indemnify for the repair, replacement, or maintenance of property. The company that is obliged to the customer under the service contract is referred to as the service contract provider. Service contracts are also regulated by OIC.

Registration. Both protection product guarantee providers and service contract providers must register with the Insurance Commissioner (Commissioner). Application procedures, requirements, and fees are set forth. The Commissioner may suspend or revoke the registration of a protection product guarantee provider or service contract provider for failure to comply with the specific requirements.

Persons selling and marketing protection products or service contracts are not required to register with or be licensed by the Commissioner unless they are protection product guarantee providers or service contract providers.

Financial Responsibility. A protection product guarantee provider or service contract provider may ensure that all obligations and liabilities are paid by choosing one of the following options where applicable:

- insure its protection product or service contracts with a reimbursement insurance policy;
- maintain a reserve account that includes a portion of the gross consideration received for all service contracts and give the Commissioner a financial security deposit;
- use a risk-retention group to insure the protection products or service contracts with a reimbursement insurer policy; or
- maintain or have the parent company maintain a net worth or stockholder's equity of $100 million.

Recordkeeping. A protection product guarantee provider or service contract provider must keep accurate accounts and records including the following:

- the name and address of the person who purchased a protection product or service contract;
- a list of locations where the protection product or service contract is sold or marketed; and
- written claims files with the dates, amounts, and descriptions of claims related to protection products or service contracts.

Investigations and Enforcement. The Commissioner may investigate a protection product guarantee provider or service contract provider. Upon the Commissioner's request, such people must make the books, accounts, and records available to the Commissioner. The Commissioner may take actions to enforce the statute and the Commissioner's rules and orders. A violation of the protection product or service contract laws is a violation of the Consumer Protection Act. A purchaser of a protection product or service contract may bring suit for a violation.

Summary: The definition of protection product is modified to mean any protective, chemical, substance, device, or system offered or sold with a guarantee to repair or replace another product or pay incidental costs upon the failure of the product to perform pursuant to the terms of the protection product guarantee. The definition explicitly excludes fuel additives, oil additives, or other chemical products applied to the engine, transmission, or fuel system of a motor vehicle. Incidental cost reimbursement must be tied to the purchase of a product that makes the specified loss or damage less likely to occur.

A new definition is added. Road hazard is defined as a hazard that is encountered while driving a motor vehicle and may include, but is not limited to, potholes, rocks,

wood debris, metal parts, glass, plastic, curbs, or composite scraps.

The definition of service contract is amended to permit additional contracted services including (1) the paintless removal of dents from a vehicle, (2) repair or replacement of windshields from damages caused by road hazards, (3) the replacement of a motor vehicle key or key fob, (4) services provided under a protection product guarantee, and (5) other services provided by rule of OIC.

Service contracts do not include coverage for repair or replacement of interior surfaces, exterior paint, or the finish of a vehicle. Such damages, however, may be covered through the sale of a protection product. Service contracts also do not include coverage for fuel additives, oil additives, or other chemical products applied to the engine, transmission, or fuel system of a motor vehicle.

The registration requirements for service contract providers of customer goods and motor vehicle programs are amended. Service contract providers who insure all service contracts under a reimbursement insurance policy through an insurer or risk-retention group as prescribed in statute are authorized to submit annual financial statements that are certified as accurate by two or more officers of the company. Such certified statements will substitute for the annual financial statements audited by a third party.

Votes on Final Passage:

Senate	49	0	
House	96	0	(House amended)
Senate	49	0	(Senate concurred)

Effective: June 12, 2014

SB 5981

C 169 L 14

Increasing the number of superior court judges in Mason county.

By Senators Sheldon, Kline, Hewitt and Dammeier; by request of Board For Judicial Administration.

Senate Committee on Law & Justice
House Committee on Judiciary
House Committee on Appropriations Subcommittee on General Government & Information Technology

Background: The number of superior court judges in each county is set by statute. Any change in the number of full- and part-time judges in a county's superior court is determined by the Legislature after receiving a recommendation from the Board for Judicial Administration (BJA). The BJA's recommendation is based on an objective workload analysis developed annually by the Administrative Office of the Courts. The objective workload analysis takes into account available judicial resources and the caseload activity of the court.

Superior court judges and court commissioners hear felony and other criminal matters, civil matters, domestic relations matters, guardianship and probate matters, juvenile matters as well as child dependency cases, appeals from lower courts, and appeals from state administrative agencies. Mason County has two elected superior court judges.

The state and the county share the cost of superior court judges. In order for an additional judicial position to become effective, the legislative authority of the affected county must approve the position and agree to pay, out of county funds and without reimbursement from the state, expenses associated with the new position.

Summary: The number of statutorily authorized superior court judges in Mason County is increased from two to three. This new position becomes effective only if Mason County approves the position and agrees that the county pay its share of the cost of the position without reimbursement from the state.

Votes on Final Passage:

Senate	49	0
House	92	5

Effective: June 12, 2014

SB 5999

C 83 L 14

Concerning corporate entity conversions.

By Senators Pedersen, O'Ban, Kline and Fain; by request of Washington State Bar Association.

Senate Committee on Law & Justice
House Committee on Judiciary

Background: Washington law authorizes organizations to be created in many forms. Examples of organizations include a partnership, limited partnership, corporation, limited liability corporations (LLCs), etc. Organizations may choose to restructure their form. A conversion is a statutorily authorized process that allows an organization to change its form though a single filing with the Secretary of State. The converted entity is the same entity with a new form. All property owned by the converting organizations remains vested with the converted organization. All debts, liabilities, and other obligations continue with the converted organization. All the rights, privileges, immunities, powers, and purposes continue with the converted organization.

Washington law authorizes an organization to convert to and from a limited partnership. This conversion process is specific to a limited partnership. Washington law does not authorize a similar conversion process specific to other organizations such as corporations and LLCs.

Summary: Conversion is authorized for an organization to and from an LLC, and also to and from a domestic corporation. The conversion provision excludes certain entities such as nonprofit corporations, miscellaneous corporations, and governmental or quasi-governmental or-

ganizations. Conversion is authorized in a single filing with the Secretary of State. A converted organization is the same entity that existed prior to the conversion and retains all of its assets, liabilities, debts, and obligations. For a converting LLC, a plan of conversion must be consented to by all members of the LLC. For a converting domestic corporation, a plan of conversion must be adopted by the corporation's board and approved by the corporation's shareholders entitled to vote. A voting shareholder may dissent from conversion and receive a fair-value payment for their shares when the shares in the newly converted organization are not as favorable in all material respects.

Votes on Final Passage:

Senate	48	0
House	97	0

Effective: June 12, 2014

ESSB 6001

PARTIAL VETO

C 222 L 14

Making 2013-2015 supplemental transportation appropriations.

By Senate Committee on Transportation (originally sponsored by Senators Eide and King; by request of Governor Inslee).

Senate Committee on Transportation

Background: The operating and capital expenses of state transportation agencies and programs are funded on a biennial basis by an omnibus transportation budget adopted by the Legislature in odd-numbered years. Additionally, supplemental budgets may be adopted during the biennium making various modifications to agency appropriations.

Summary: The 2013-15 biennial appropriations for various transportation agencies and programs are modified.

Votes on Final Passage:

Senate	44	5	
House	65	33	(House amended)
Senate	44	4	(Senate concurred)

Effective: April 4, 2014

Partial Veto Summary: The Governor vetoed nine sections or parts of sections (appropriation items) in the Supplemental Transportation Appropriations Act. The effect was to remove certain directive language concerning:

- the Traffic Safety Commission continuing to provide funding to counties for target zero task forces during the 2013-15 biennium at the same levels that were in place on January 1, 2014;
- the Washington State Patrol coordinating and supporting local law enforcement at the U.S. Open national golf championship in Pierce County;
- the Washington State Department of Transportation (WSDOT) accepting the transfer to the state highway system of Quarry Road;
- WSDOT using a cost-benefit methodology tool developed in 2008 for rail projects when analyzing Freight Rail Investment Bank and Freight Rail Assistance Program projects; and
- the implementation of certain legislation that did not pass.

The veto also removed the following appropriation items and attendant language:

- the reduction in appropriation to the Freight Mobility Strategic Investment Board's of $25,000 reverting the appropriation back to the 2013 level; and
- the funding and direction to the Transportation Commission to complete the statewide transportation plan resulting in a reduction of $125,000.

For more information please refer to the Governor's veto message: http://apps.leg.wa.gov/billinfo/summary.aspx?bill=6001&year=2013

VETO MESSAGE ON ESSB 6001

April 4, 2014

To the Honorable President and Members,
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to Sections 201(5); 205(8); 206; 207(8); 208(13); 208(16); 213(7); 306(24); and 310(7)(a) and (b), page 66, line 29 through page 67, line 16, Engrossed Substitute Senate Bill No. 6001 entitled:

"AN ACT Relating to transportation funding and appropriations."

Section 201(5), pages 5-6, Traffic Safety Commission, Funding for Target Zero Task Forces

This section would require the Traffic Safety Commission to continue to provide funding to counties for target zero task forces during the 2013-15 biennium based on levels that were in place on January 1, 2014. The Commission has conducted an extensive Lean-based review of the most effective strategies for implementing traffic safety programs locally. The proviso would affect the Commission's ability to allocate funding to achieve the greatest effect on safety. For this reason, I have vetoed Section 201(5).

The Traffic Safety Commission will continue to conduct stakeholder meetings in the counties that could be affected by this approach.

Section 205(8), pages 13-14, Transportation Commission, Statewide Transportation Plan

The Legislature provided funding for the Transportation Commission to complete the statewide transportation plan and fulfill current federal planning requirements by June 30, 2015. New federal rules will go into effect in the spring of 2016 and will require, among other things, an integrated performance measurement system. It is prudent to wait until the new federal regulations are released before updating the plan. For this reason, I have vetoed Section 205(8).

Section 206, page 14, Freight Mobility Strategic Investment Board, Appropriation Reduction

The proposed appropriation level reduces the Freight Mobility Strategic Investment Board's (Board) 2013-15 biennial budget by $25,000. This reduction results in an appropriation insufficient to sustain current operations. For this reason, I have vetoed Section 206.

During the remainder of the biennium, the Board will maintain

a staffing level of two (2) FTEs after the current director retires. The Board will submit staffing and resource allocations for the ensuing biennium with its biennial budget submittal.

Section 207(8), page 16, Washington State Patrol, Security for United States Open

This proviso directs the Washington State Patrol (WSP) to coordinate and support local law enforcement at the United States Open national golf championship in Pierce County in providing traffic control and "other activities" within its existing budget. WSP services for such a significant event are likely to require additional appropriations from the Legislature. For this reason, I have vetoed Section 207(8).

WSP will work with Pierce County to develop a plan with respective responsibilities and estimated costs for further consideration in the 2015 legislative session.

Section 208(13), page 20, Department of Licensing, Intermittent-Use Trailer License Plates (E2SHB 1902)

This proviso provides appropriation authority for the implementation of Engrossed Second Substitute House Bill 1902, intermittent-use trailer license plates. E2SHB 1902 did not pass, so this subsection is unnecessary. For this reason, I have vetoed Section 208(13).

Section 208(16), page 20, Department of Licensing, Washington State Tree License Plates (EHB 2752)

This proviso provides appropriation authority for the implementation of Engrossed House Bill 2752, Washington state tree license plates. EHB 2752 did not pass, so this subsection is unnecessary. For this reason, I have vetoed Section 208(16).

Sections 213(7), page 30, Department of Transportation, Fish Barrier Removals (2SHB 2251)

This proviso directs the Department of Transportation to maximize available resources for eliminating fish passage barriers if Second Substitute House Bill 2251 did not pass. Second Substitute House Bill 2251 was approved during the 2014 legislative session, so this subsection is moot. For this reason, I have vetoed Section 213(7).

Section 306(24), pages 57-58, Department of Transportation, Quarry Road Transfer

This proviso directs the Department of Transportation (Department) to accept the transfer to the state highway system of Quarry Road. This proviso is unnecessary because the Department has reached agreement with Snohomish County to transfer Quarry Road to the state highway system. For this reason, I have vetoed Section 306(24).

Section 310(7)(a) and (b), page 66, line 29 through page 67, line 16, Department of Transportation, Rail Cost-Benefit Methodology

This proviso directs the Department of Transportation (Department) to use a cost-benefit methodology tool developed in 2008 for rail projects, which is the existing standard for departmental operations in analyzing Freight Rail Investment Bank and Freight Rail Assistance Program projects. Given this is current practice, there is no need to direct the Department to use this tool. For this reason, I have vetoed Section 310(7)(a) and (b), page 66, line 29 through page 67, line 16.

If for any reason a different approach is used, I am directing the Department to report to both the Office of Financial Management and legislative transportation committees about why it used an alternative approach.

For these reasons I have vetoed Sections 201(5); 205(8); 206; 207(8); 208(13); 208(16); 213(7); 306(24); and 310(7)(a) and (b), page 66, line 29 through page 67, line 16 of Engrossed Substitute Senate Bill No. 6001.

With the exception of Sections 201(5); 205(8); 206; 207(8); 208(13); 208(16); 213(7); 306(24); and 310(7)(a) and (b), page 66, line 29 through page 67, line 16, Engrossed Substitute Senate Bill No. 6001 is approved.

Respectfully submitted,

Jay Inslee
Governor

ESSB 6002

PARTIAL VETO
C 221 L 14

Making 2014 supplemental operating appropriations.

By Senate Committee on Ways & Means (originally sponsored by Senators Hill and Hargrove; by request of Governor Inslee).

Senate Committee on Ways & Means

Background: The operating expenses of the state government and its agencies and programs are funded on a biennial basis by an omnibus operations budget adopted by the Legislature in odd-numbered years. In subsequent legislative sessions, a supplemental budget is adopted, making various modifications to agency appropriations. State operating expenses are paid from the state general fund and from various dedicated funds and accounts.

Summary: The 2013-15 biennial appropriations for the various agencies and programs of the state are modified. Detailed information is posted on the website of the Senate Ways & Means Committee: http://www.leg.wa.gov/Senate/Committees/WM/Pages/default.aspx.

Votes on Final Passage:

Senate	41	8	
House	53	44	(House amended)
Senate			(Senate refused to concur/asked House for conference

Conference Committee:

House	85	13
Senate	48	1

Effective: April 4, 2014

Partial Veto Summary: The Governor vetoed 20 appropriation items in the 2014 Supplemental Budget Act.

VETO MESSAGE ON ESSB 6002

April 4, 2014

To the Honorable President and Members,
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to Sections 103(11); 106, lines 13-16 and lines 22-28; 116(5); 125(14); 126; 135(9); 138(3); 140(3); 146(10); 202(15); 205(1)(l); 219(30); 220(3)(e); 502(21); 505(12); 505(13); 705, page 257, lines 23-24; 805, page 267, lines 32-38, and page 268, line 1; 805, page 268, lines 11-38, and page 269, lines 1-15; 805, page 270, lines 12-16; 917; and 919, Engrossed Substitute Senate Bill No. 6002 entitled:

"AN ACT Relating to fiscal matters."

Section 103(11), page 7, Joint Legislative Audit and Review Committee, Study of Medicaid Dispensing Methods

This proviso directs the Joint Legislative Audit and Review

Committee to conduct an analysis of the assumed budget savings as a result of the state's change to dispensing a one-year supply of contraceptive drugs for Medicaid recipients under Section 213, Chapter 4, Laws of 2013, 2nd Special Session. Individuals need convenient access to contraceptive drugs, as these drugs prevent unintended pregnancies and reduce Medicaid births. For this reason, I have vetoed Section 103(11).

The Health Care Authority will track savings resulting from dispensing a one-year supply of contraceptive drugs, and will report savings to the Office of Financial Management.

Section 106, page 8, lines 13-16 and lines 22-28, Office of the State Actuary, Actuarial Analysis of State Medicaid and PEB Programs

Funding is provided to the Office of the State Actuary to improve the Legislature's access to independent and objective health care actuarial analysis for the state Medicaid and Public Employee Benefits programs. The funding provided includes federal funds that cannot be used for this purpose. For this reason, I have vetoed Section 106, page 8, lines 13-16 and lines 22-28.

However, I recognize the importance of legislative review and access to actuarial analyses. Therefore, I am directing the Health Care Authority to collaborate with the Office of Financial Management, the Office of the State Actuary, and legislative staff on the establishment of health care rates. The Health Care Authority is further directed to include a requirement in actuarial services contracts that will require the vendor to provide information in response to questions from the Office of Financial Management, the Office of the State Actuary, and legislative staff.

Sections 116(5), page 17, Office of the Governor, Transfer of Special Education Ombuds

The appropriation in this section increases funding to the Governor's Office of the Education Ombuds (OEO) for special education ombuds services currently provided by the Office of the Superintendent of Public Instruction (OSPI). Funding for the special education ombuds is removed from the OSPI budget in Section 505(12). OSPI is required to provide special education ombuds services to comply with federal law. Therefore, the transfer of funding for this function would result in a reduction in funding to OSPI without a corresponding reduction in responsibilities and workload. In addition, this section requires OSPI to enter into an interagency agreement with OEO to provide support for additional special education ombuds services using federal funds. OEO services are not an allowable use of federal funds. For these reasons, I have vetoed Section 116(5).

Section 125(14), page 27, Office of the Attorney General, Medical and Recreational Marijuana (E3SSB 5887)

This proviso provides appropriation authority for the implementation of Engrossed Third Substitute Senate Bill 5887, medical and recreational marijuana. E3SSB 5887 did not pass, so this subsection is unnecessary. For this reason, I have vetoed Section 125(14).

Section 126, page 27, Caseload Forecast Council, Self-Insurance Premiums

This section reduces appropriations to the Caseload Forecast Council (CFC). Statewide adjustments for self-insurance premiums submitted to the Office of Financial Management (OFM) mistakenly included a $78,000 reduction for CFC. These premiums were already adjusted in the 2012 supplemental budget. As CFC is a small agency, the reduction is too large for the agency to absorb. For this reason, I have vetoed Section 126.

I am directing OFM to work with CFC to adjust allotments to levels consistent with the supplemental budget excluding the self-insurance premium reduction.

Section 135(9), page 44, Department of Revenue, Study of State Revenue Impact

This proviso directs the Department of Revenue (DOR) to consult with counties affected by the United States Open golf championship to estimate the additional state sales tax revenue attributable to the event. Large events around the state generate sales tax revenues for the state and local governments. This proviso establishes an unwise precedent of attempting to identify only state sales tax revenue attributable to a particular event. Further, no additional appropriation was provided to complete the study. As DOR must absorb more than $267,000 of implementation costs for various revenue-related measures passed by the 2014 Legislature, the agency cannot be expected to absorb additional costs for this study. For these reasons, I have vetoed Section 135(9).

Section 138(3), page 46, Office of the Insurance Commissioner, Insurance Company Solvency (SHB 2461)

This proviso provides appropriation authority for the implementation of Substitute House Bill 2461, insurance company solvency. SHB 2461 did not pass, so this subsection is unnecessary. For this reason, I have vetoed Section 138(3).

Section 140(3), page 47, Liquor Control Board, Medical and Recreational Marijuana (E3SSB 5887)

This proviso provides appropriation authority for the implementation of Engrossed Third Substitute Senate Bill 5887, medical and recreational marijuana. E3SSB 5887 did not pass, so this subsection is unnecessary. For this reason, I have vetoed Section 140(3).

Section 146(10), page 53, Department of Enterprise Services, Small Agency Services and Printer Rates

This proviso directs the Department of Enterprise Services (DES) to revise central services rates charged to state agencies to reflect a transfer of Small Agency Client Services to the Office of Financial Management (OFM), the elimination of funding for Small Agency Human Resource Services, and establishment of the Print and Imaging program rates at levels sufficient to fully recover costs. I understand the legislative intent was not to eliminate services for small agencies, but to provide such services with a smaller budget. I am concerned about the unnecessary disruption of services for small agencies as a result of this proviso. For this reason, I have vetoed Section 146(10).

However, to fully and responsibly capture the assumed budget savings for small agency services and accomplish the policy goal of setting printer rates at levels sufficient to recover all costs, I am directing DES and OFM to take the following actions:

DES will provide both finance and human resource services to current small agency customers within the $1.845 million provided to OFM in the operating budget. DES may not use any other fund sources or projected fund balances from any of its operating accounts to provide small agency services. To maximize the use of limited resources, DES and OFM shall convene a meeting of small agency customers to receive their input on the structure, service offerings, and rates for small agency services in light of the reduced budget.

DES shall immediately set its rates for the Print and Imaging program to fully recover costs for the services provided to prevent any operating loss for the current and future fiscal years. By June 1, 2014, DES must submit to OFM a comparative rate sheet showing rates for the program as of April 1, 2014, and the new rates along with a long-term financial plan for the Print and Imaging program.

Section 202(15), page 63, Department of Social and Health Services, Children's Long-Term Inpatient Program Placement Waitlist

This proviso provides appropriation authority for a rate add-on paid to residential facilities providing behavioral rehabilitation services (BRS) to youth who have been assessed as needing mental health services through the children's long-term inpatient program (CLIP). I am concerned that a rate add-on for this population will create an incentive to send youth served by BRS to CLIP, thereby driving up costs in CLIP and placing foster youth in unnecessarily restrictive settings. For this reason, I have vetoed Section 202(15).

However, I recognize the need to review the level of funding provided to BRS agencies serving youth with psychological and psychiatric needs. Therefore, I am directing the Children's Administration and the Behavioral Health and Integrated Services Administration to work with BRS providers over the interim to examine this issue and determine viable solutions.

Section 205(1)(l), pages 82-83, Department of Social and Health Services, Report from Developmental Disabilities Administration

This proviso directs the Department of Social and Health Services to meet with stakeholders and report to the Legislature by January 1, 2015, on fourteen key areas related to developmental disabilities. No funding was provided to the Department for this work. For this reason, I have vetoed Section 205(1)(l).

The Developmental Disabilities Administration will be working with stakeholders in the development of the Individual and Family Services waiver and the Community First Choice Medicaid state plan revision. Therefore, many of the areas identified in the proviso will be discussed and addressed.

Section 219(30), page 139, Department of Health, Medical and Recreational Marijuana (E3SSB 5887)

This proviso provides appropriation authority for the implementation of Engrossed Third Substitute Senate Bill 5887, medical and recreational marijuana. E3SSB 5887 did not pass, so this subsection is unnecessary. For this reason, I have vetoed Section 219(30).

Section 220(3)(e), page 149, Department of Corrections, Expanding Categories of Offenses Eligible for Community Parenting Alternative Program Within Department of Corrections (SB 6327)

This proviso provides appropriation authority for the implementation of Senate Bill 6327, expanding the categories of offenses eligible for the community parenting alternative program within the Department of Corrections. SB 6327 did not pass, so this subsection is unnecessary. For this reason, I have vetoed Section 220(3)(e).

Section 502(21), page 205, Office of the Superintendent of Public Instruction, Federal Forest Revenue (E2SHB 2207)

This proviso provides appropriation authority for the purpose of Engrossed Second Substitute House Bill 2207, federal forest revenue. E2SHB 2207 partially eliminates the current state offset to state general apportionment funds for federal timber revenues paid to school districts. The calculation for the timber revenue offset includes federal funding allocated to school districts through the federal Secure and Rural Schools and Community Self-Determination Act (SRSA). Federal authority to make SRSA payments expires at the end of federal fiscal year 2014.

Because the original 2013-15 state operating budget assumes no federal SRSA payments after September 30, 2014, underlying general apportionment appropriations are sufficient to fully fund apportionment payments to school districts without any offset for potential SRSA timber revenues to districts. Therefore, if the federal government reauthorizes SRSA beyond September 30, 2014, eligible school districts will receive the benefits of increased combined state and local funding under E2SHB 2207, and state general apportionment appropriations in this budget bill will be more than sufficient to fully fund state general apportionment without the appropriation provided in this subsection. The appropriation in this subsection is redundant. For this reason, I have vetoed Section 502(21).

Section 505(12) and Section 505(13), page 211, Office of the Superintendent of Public Instruction, Special Education Ombuds Services

Section 505(12) reduces appropriations for special education ombuds services at the Office of the Superintendent of Public Instruction (OSPI). Section 116(5) provides an increased appropriation to the Governor's Office of the Education Ombuds (OEO) for these services. OSPI is required to provide the special education ombuds services to comply with federal law. Therefore, the transfer of funding for this function would result in a reduction in funding to OSPI without a corresponding reduction to responsibilities and workload. Section 505(13) requires OSPI to enter into an interagency agreement with OEO to provide support for additional special education ombuds services using federal funds. OEO services are not an allowable use of federal funds. For these reasons, I have vetoed Sections 505(12) and (13).

Section 705, page 257, lines 23-24, Disaster Response Account

This line item reduces General Fund-State appropriations into the Disaster Response Account by $1.5 million in fiscal year 2015 based on a projected excess fund balance. Earlier this year, it appeared the account would not need these funds. However, the tragic mudslide that occurred in Oso on March 22, 2014, will greatly strain these resources. The Military Department has activated the State Emergency Operations Center, and other state agencies are engaged in rescue and recovery efforts. For these reasons, I have vetoed Section 705, page 257, lines 23-24.

Section 805, page 267, lines 32-38, and page 268, line 1; Section 805, page 268, lines 11-38, and page 269, lines 1-15; Office of the State Treasurer, Revenue Transfers to Life Sciences Discovery Fund

These sections together transfer a total of $20 million from the Tobacco Settlement Account and the Life Sciences Discovery Fund to the Education Legacy Trust Account. As a result of these transfers, funding for the Life Sciences Discovery Fund Authority (LSDFA) is effectively ended for the remainder of the 2013-15 biennium. The LSDFA has helped make Washington a global innovation leader in life sciences research. Returning this funding to the LSDFA will allow for the issuance of more than $15 million of new grants in the 2013-15 biennium on top of the nearly $92 million in grants already made, continue support for the Global Health Technologies and Products program, and cover necessary administrative costs. For this reason, I have vetoed Section 805, page 267, lines 32-38, and page 268, line 1; Section 805, page 268, lines 11-38, and page 269, lines 1-15.

I am aware that this veto reduces revenue to the Education Legacy Trust Account. However, this veto will not affect any education spending as there are sufficient resources in the budget to cover any projected shortfalls in the Education Legacy Trust Account in the 2015 supplemental budget.

I am not vetoing the legislative intent language for transfer of the strategic tobacco contribution payments in 2015-17 as it has no impact on returning $20 million to the LSDFA in 2013-15. The actual use of the 2015-17 strategic tobacco contribution payments will be made in the 2015 legislative session. We look forward to working with the Legislature to continue some level of funding for the LSDFA into the future so we do not lose the value of this important and innovative research.

Section 805, page 270, lines 12-16, Office of the State Treasurer, Energy Freedom Account

Section 805 increases the transfer from the Energy Freedom Account to the state General Fund by $500,000 in fiscal year 2014 and by $500,000 in fiscal year 2015. The enacted biennial budget transfers $1 million from the Energy Freedom Account to the General Fund in each fiscal year. I am concerned about the uncertainty of when revenues will be deposited into the Energy Freedom Account. Current deposits are lower than anticipated. Vetoing the additional $1 million transfer in this section will ensure the account's ending fund balance remains positive. For this reason, I have vetoed Section 805, page 270, lines 12-16.

Section 917, page 281, Transfer of Strategic Contribution Payments

This section authorizes the transfer of strategic contribution payments from the Tobacco Settlement Account to the Education Legacy Trust Account. As I have vetoed the transfers to the Education Legacy Trust Account in Section 805, the authority provided in this section is unnecessary. For this reason, I have vetoed Section 917.

Section 919, page 282, Account Transfers from Life Sciences Discovery Fund

This section authorizes the transfer of balances in the Life Sciences Discovery Fund to other state funds or accounts in the 2013-15 biennium. Because I have vetoed the transfers to the Education Legacy Trust Account in Section 805, the authority provided in this section is unnecessary. For this reason, I have vetoed Section 919.

I am not vetoing Section 123(2), which appropriates $300,000 from the State Auditing Services Revolving Account for a contract with a private firm to conduct an audit of the use of the state's higher education accounts. However, I am concerned that the short time frame and lack of sufficient funding for such a comprehensive audit may act as a disincentive for firms to bid on the contract, thereby limiting the information the audit can provide for policy makers and budget writers. Unfortunately, a veto would

eliminate the funding entirely and no audit would occur. I have therefore asked the State Auditor to use this limited funding and time frame to focus on the state's largest public four-year institution and conduct a focused audit that meets the requirements of the proviso.

For these reasons I have vetoed Sections 103(11); 106, lines 13-16 and lines 22-28; 116(5); 125(14); 126; 135(9); 138(3); 140(3); 146(10); 202(15); 205(1)(l); 219(30); 220(3)(e); 502(21); 505(12); 505(13); 705, page 257, lines 23-24; 805, page 267, lines 32-38, and page 268, line 1; 805, page 268, lines 11-38, and page 269, lines 1-15; 805, page 270, lines 12-16; 917; and 919 of Engrossed Substitute Senate Bill No. 6002.

With the exception of Sections 103(11); 106, lines 13-16 and lines 22-28; 116(5); 125(14); 126; 135(9); 138(3); 140(3); 146(10); 202(15); 205(1)(l); 219(30); 220(3)(e); 502(21); 505(12); 505(13); 705, page 257, lines 23-24; 805, page 267, lines 32-38, and page 268, line 1; 805, page 268, lines 11-38, and page 269, lines 1-15; 805, page 270, lines 12-16; 917; and 919, Engrossed Substitute Senate Bill No. 6002 is approved.

Respectfully submitted,

Jay Inslee
Governor

SSB 6007
C 33 L 14

Clarifying the exemption in the public records act for customer information held by public utilities.

By Senate Committee on Governmental Operations (originally sponsored by Senators Rivers, Hatfield, Braun, Tom and Benton).

Senate Committee on Governmental Operations
House Committee on Local Government

Background: Public Records Act (PRA). The PRA, enacted in 1972 as part of Initiative 276, requires that all state and local government agencies make all public records available for public inspection and copying unless certain statutory exemptions apply. Under the PRA, a public record includes any writing containing information relating to the conduct of government or the performance of any governmental or proprietary function prepared, owned, used, or retained by any state or local agency, regardless of physical form or characteristics. The provisions requiring public records disclosure must be interpreted liberally while the exemptions are interpreted narrowly to effectuate the general policy favoring disclosure. Over 500 specific references in the PRA or other statutes remove certain information from application of the PRA, provide exceptions to the public disclosure and copying of certain information, or designate certain information as confidential.

Public Utilities. Public utilities supply a utility service, such as broadband telecommunications, sewer, water, energy, or solid waste or refuse, to the public. The voters in an area of the state may vote to create a Public Utility District (PUD) to provide utility services. PUDs are governed by a board of either three or five nonpartisan commissioners who are elected to six-year terms. Currently there are 28 PUDs in Washington: 23 provide electricity, 19 provide water or wastewater services, and 13 provide local access to broadband telecommunications services.

Certain information relating to public utilities is exempt from disclosure under the PRA, including customers' residential addresses and residential telephone numbers contained in the records or lists held by the public utility of which they are customers. However, residential addresses and residential telephone numbers may be released to the Division of Child Support or the agency or firm providing child support enforcement for another state.

Summary: The following information contained in the records or lists held by a public utility – either a PUD or a municipally owned utility – is exempt from public disclosure:

- customer addresses;
- customer telephone numbers;
- customer electronic contact information; and
- customer-specific utility usage and billing information in increments less than a billing cycle.

Votes on Final Passage:

Senate	48	0
House	98	0

Effective: June 12, 2014.

SB 6013
C 34 L 14

Making a technical correction to school law governing the use of epinephrine autoinjectors (EPI pens).

By Senators Mullet and Tom.

Senate Committee on Early Learning & K-12 Education
House Committee on Education

Background: An epinephrine autoinjector is a medical device used to deliver a measured dose of epinephrine, also known as adrenaline, using autoinjector technology, most frequently for the treatment of acute allergic reactions to avoid or treat the onset of anaphylactic shock.

An autoinjector is a medical device designed to deliver a single dose of a particular, typically life-saving, drug. Most autoinjectors are spring-loaded syringes.

Anaphylactic shock is a serious allergic reaction that is rapid in onset and may cause death. It typically causes a number of symptoms including an itchy rash, throat swelling, and low blood pressure. Common causes include insect bites or stings, foods, and medications.

Trade names for an epinephrine autoinjector device include EpiPen, Twinject, Adrenaclick, Anapen, Jext, Allerject, and Auvi-Q.

Engrossed Senate Bill 5104, which involves placing epinephrine autoinjectors in schools, was passed by both

houses during the 2013 legislative session and signed into law. The law went into effect July 28, 2013.

Summary: A technical correction is made to the statute that was most recently amended during the 2013 legislative session through Engrossed Senate Bill 5104.

Votes on Final Passage:

Senate	46	0
House	97	0

Effective: June 12, 2014.

SSB 6014

C 132 L 14

Concerning the operation of a vessel under the influence of an intoxicant.

By Senate Committee on Law & Justice (originally sponsored by Senators Roach and Fain).

Senate Committee on Law & Justice
House Committee on Public Safety

Background: In 2013 the Legislature strengthened the statutes for boating under the influence to mirror driving under the influence (DUI) laws. As part of the changes, boaters in the state of Washington are deemed to have given consent to a test or tests of breath or blood to determine alcohol concentration, tetrahydrocannabinol (THC) concentration, or for the presence of any drug.

In April 2013, the United State Supreme Court held that, in DUI investigations, the natural dissipation of alcohol in the bloodstream does not constitute an exigency in every case sufficient to justify conducting a blood test without a warrant. The DUI implied-consent statutes were changed during the 2013 Special Legislative Session to provide that a blood test may only be administered without the consent of the individual pursuant to a search warrant, valid waiver of the warrant requirement, or when exigent circumstances exist.

Summary: The implied consent provision for a test of a person's breath applies if the person is arrested for any offense where, at the time of the arrest, the arresting officer has reasonable grounds to believe that the person was operating a vessel while under the influence of alcohol or a combination of alcohol and any other drug. Refusal to submit to a breath test remains a class 1 civil infraction.

The implied consent provision regarding a blood test for a person suspected of operating a vessel under the influence of marijuana or any other drug is removed. When an arrest results from a boating accident in which there is serious bodily injury or death to another person or the arresting officer has reasonable grounds to believe that the person operating the vessel was under the influence of marijuana or any other drug, a blood test may only be administered without the consent of the individual pursuant to a search warrant, valid waiver of the warrant requirement, or when exigent circumstances exist.

Votes on Final Passage:

Senate	48	0	
House	92	5	(House amended)
Senate	49	0	(Senate concurred)

Effective: June 12, 2014

ESSB 6016

C 84 L 14

Concerning the grace period for enrollees of the Washington health benefit exchange.

By Senate Committee on Health Care (originally sponsored by Senators Rivers, Keiser, Cleveland, Tom, Kline and McAuliffe).

Senate Committee on Health Care
House Committee on Health Care & Wellness

Background: The federal Affordable Care Act regulations provide a 90-day grace period to enrollees in Exchange qualified health plans who receive an advance premium tax credit but fail to pay their premiums, if they have paid at least one full month's premium during the benefit year.

During the first month of the grace period, the health insurance carrier must pay all appropriate claims for services rendered, and may pend claims for services rendered to the enrollee in the second and third months of the grace period. The carriers must notify providers of the possibility for denied claims when the enrollee is in the second and third months of the grace period.

At the end of the grace period, the health insurance carrier must terminate the enrollee's coverage if the enrollee has not paid all outstanding premiums.

Summary: The Exchange must support the grace period by providing electronic information to issuers of qualified health and dental plans that complies with federal rules on termination of coverage. If the Exchange notifies an enrollee of a delinquency in paying premiums, the notice must include information on how to report a change in income or circumstances, as well as an explanation that such a report may result in a change in the premium amount or program eligibility.

A health insurance carrier offering a qualified health plan in the Exchange must notify a provider or facility that an enrollee is in a grace period as follows:

- With respect to an enrollee in the second or third month of the grace period, the issuer, upon request by a provider or facility, must provide information regarding the enrollee's eligibility status in real-time, and notify a provider or facility that the enrollee is in the grace period within three business days after submittal of a claim or status request for services provided; and

- The information or notification must, at a minimum, indicate "grace period" or a national coding standard as the reason for pending the claim if a claim is pended due to the grace period.

By December 1, 2014, and annually thereafter, the Exchange must provide the Legislature with a report indicating the number of enrollees who entered the grace period; the number of enrollees who paid premium after entering the grace period; the average number of days enrollees were in the grace period prior to paying premium; and the number of enrollees who were in the grace period and whose coverage was terminated due to nonpayment of premiums.

If the Exchange report indicates that coverage was terminated due to nonpayment of premium for 10,000 or more enrollees who were in the grace period, the issuer's notification to the provider or facility must also indicate whether the enrollee is in the second or third month of the grace period, unless the notification is provided electronically. This requirement is effective January 1 following issuance of the report, but in no case before January 1, 2015. The Exchange must notify affected parties and the Legislature if the contingency occurs.

The grace period is defined to mean nonpayment of premiums by an enrollee receiving advance payments of the premium tax credit as defined by the Affordable Care Act, and implementing regulations issued by the U.S. Department of Health and Human Services.

Votes on Final Passage:

Senate	48	0	
House	92	6	(House amended)
Senate	45	4	(Senate concurred)

Effective: June 12, 2014
Contingent (Section 3)

ESB 6031

C 85 L 14

Concerning lake and beach management districts.

By Senator Sheldon.

Senate Committee on Natural Resources & Parks
House Committee on Local Government
House Committee on Finance

Background: Counties may create lake or beach management districts to finance the improvement and maintenance of lakes or beaches within or partially within county boundaries. The district may include all or a portion of a lake or beach and the adjacent land areas. Lake or beach management districts may be created by a county legislative body after it holds a public hearing on the proposed district and submits the question of creating the district to the owners of land within the proposed district, including publicly owned land. A ballot must be mailed to each owner or reputed owner of any land within the proposed management district. The resolution requires a simple majority vote in favor of creation. Management districts may also be created by the filing of a petition signed by ten landowners or the owners of at least 15 percent of the acreage within the proposed district boundary.

A county legislative body must adopt an ordinance creating the lake or beach management district and file with the county treasurer a description of the lake or beach improvement or maintenance activities. The county must then establish and collect the special assessments or rates and charges imposed to finance and perform improvement and maintenance activities. Counties may impose annual special assessments and rates and charges on all lands within the district for the duration of the district without a related issuance of lake or beach management district bonds.

A county may issue lake or beach management district bonds to obtain money sufficient to cover unpaid special assessments but not in excess of the costs and expenses of improvement or maintenance activities. Counties issuing bonds must create a special fund or funds from which it will pay all or a portion of the costs of the improvement or maintenance activities. A county may also create a lake or beach management district bond guaranty fund for each issue of bonds that exists only for the life of the bonds for which it was created.

Summary: Creation and Modification. Lake or beach management districts created by petition require the signatures of either ten landowners or the owners of at least 20 percent of the acreage within the proposed district boundary. Once created, the district resolution or governing document may be amended to increase or otherwise modify the amount to be financed by the district in the same manner as district creation.

Property Acquisition. Counties may propose acquisition of certain real property or property rights within or outside a lake or beach management district with funds collected from special assessments or rates and charges imposed on property in the management district. The proposed real property or property rights must be in a county (1) located west of the crest of the Cascade mountain range that plans under RCW 36.70A.040, and (2) with a population of more than 40,000 but less than 65,000 as of April 1, 2013. The proposal must have written approval from a majority of district property owners prior to acquisition of any real property or property rights. A county with an existing lake or beach management district must hold a public hearing and adopt an amended resolution before it can acquire property rights under this act.

If approved, the county may (1) own real property and property rights; (2) transfer real property and property rights to another state or local governmental entity; (3) contract with a public or private entity to hold real property and property rights in trust for the management district; (4) monitor and enforce the terms of a real property right;

(5) impose and amend terms, conditions, and encumbrances on real property or property rights; and (6) accept gifts, grants, and loans in connection with real property or property right acquisition.

Revenue Bonds. A county may issue lake or beach management district revenue bonds, i.e., bonds payable only from special assessments or rates and charges, or both, associated with a particular management district. A revenue bond owner may claim payment from an associated special fund or funds if created by a county. A county may deposit into a lake or beach management district guaranty fund any money legally available for that purpose and, after repayment of all revenue bonds and assessment installments, may use any amounts remaining in the guaranty fund for lake or beach improvement and maintenance activities. County legislative authorities may not stop the imposition of special assessments if any lake or beach management district revenue bonds are outstanding or if an existing contract might be impaired.

Dissolution. Except when revenue bonds are outstanding or an existing contract might be impaired, a lake or beach management district may be dissolved by a county legislative authority finding the district purpose achieved; a majority vote of district landowners; or by a petition signed by the owners of at least 20 percent of district acreage. A county may continue imposing special assessments or rates and charges for a dissolved district until all the district's financial obligations incurred prior to dissolution are satisfied.

Votes on Final Passage:

Senate	41	8	
House	74	24	(House amended)
Senate	48	1	(Senate concurred)

Effective: June 12, 2014

ESB 6034

C 86 L 14

Concerning state parks partnership opportunities.

By Senators Pearson, Hargrove, McCoy, Mullet and McAuliffe; by request of Parks and Recreation Commission.

Senate Committee on Natural Resources & Parks
House Committee on Environment
House Committee on Appropriations Subcommittee on General Government & Information Technology

Background: Under current law, the State Parks and Recreation Commission (State Parks) has broad authority to manage the use, care, and administration of state parks. Specifically, State Parks may provide environmental interpretive activities for purposes that:

- explain the functions, history, and cultural aspects of ecosystems;
- explain the relationship between human needs, human behaviors and attitudes, and the environment; and
- offer experiences and information to increase appreciation and stewardship of the environment and its uses.

State Parks may solicit assistance from and enter into agreements with private organizations and public agencies interested in conservation and environmental interpretation. No commercial advertising is allowed under these agreements, but logos or sponsorship credit lines are permitted.

In 2000 the Legislature directed the creation of the State Parks Gift Foundation (Foundation) to solicit support for State Parks, cooperate with other organizations, and encourage gifts to support State Parks. The Legislature established requirements for initial board membership, terms, and succession. Among its other roles, the Foundation awards grants to State Parks for eligible projects submitted to the Foundation for funding.

Summary: The interpretation role of State Parks is reemphasized and modified to include scenic, natural, cultural, and historical interpretive activities. This includes specifying authority to:

- explain the diverse human heritage and cultural changes over time in the state;
- offer experiences and information to increase understanding, appreciation, and stewardship of natural, cultural, ethnic, and artistic heritage; and
- explain the need for and methods to achieve natural, cultural, and historical resource protection and preservation.

The specific prohibition on commercial advertising in state parks is removed. The commission, in consultation with the Department of Archaeology and Historic Preservation, must follow specified standards and conditions before approving advertising on or in State Parks lands or buildings. State Parks is prohibited from renaming a state park after a commercial entity, product, or service, as part of a partnership or advertising agreement.

State Parks is granted general authority to solicit assistance and enter into agreements with other public agencies, the State Parks Foundation, private entities, employee business units, and tribes that are interested in stewardship and interpretation. Considerations in entering into such agreements include the entity's financial ability to meet its responsibilities, the entity's expertise in performing the duties, the resulting financial benefit to the state, and whether the agreement advances the public purpose of state parks. All agreements must include performance measures. State Parks' authority to enter into partnership agreements does not include the ability to change the name of a state park after a corporate or commercial entity, product, or service.

The Foundation name is revised to eliminate the word "gift" from its title. The Foundation's purpose is expanded to include the support of groups and organizations willing to contribute to the operation, instead of just the preservation, restoration, and enhancement, of the state park system.

In addition to providing grants to State Parks, the Foundation may award funds to friend groups and other organizations which propose projects or programs that are for the sole benefit of state parks.

The terms, method of appointment, and authority of the Foundation's board of directors are established under the statutes governing nonprofit corporations.

Votes on Final Passage:

Senate	45	3	
House	77	20	(House amended)
House	79	18	(House reconsidered)
Senate	47	2	(Senate concurred)

Effective: June 12, 2014

SB 6035

C 133 L 14

Regarding the safety of ski area conveyances.

By Senators Kline, Mullet and Hargrove; by request of Parks and Recreation Commission.

Senate Committee on Natural Resources & Parks
House Committee on Environment
House Committee on Appropriations Subcommittee on General Government & Information Technology

Background: Owners or operators of recreational devices generally associated with winter sports activities, such as ski lifts and ski tows, must provide safe and adequate facilities and equipment. These devices may not be constructed or installed without prior approval of the State Parks and Recreation Commission (Commission).

The Commission must employ, retain, or contract with a qualified engineer or firm to conduct inspections of recreational devices. The Commission must prescribe the salary or pay for the inspection services. The Commission's expenses related to inspections and construction approval are paid by the owner or operator of the recreational devices either by reimbursement or by direct payment to individuals or firms hired by the Commission. The expenses are limited to the actual costs incurred by the Commission. Inspections are required at least once each year.

Operators of tramways, ski lifts, or commercial skimobiles must maintain liability insurance of not less than $100,000 per person per accident and not less than $200,000 per accident. Operators of rope tows, wire rope tows, j-bars, t-bars, or similar devices must maintain insurance of not less than $25,000 per person per accident and not less than $50,000 per accident. An exception is provided for tramways that are not open to the public and are operated without charge.

Summary: Winter recreation devices are more generically referred to as aerial lifts, surface lifts, and similar devices or equipment. Two additional requirements are added for submission of plans and specifications regarding the construction or installation of winter recreational devices: the submission must include a certification that the device was designed by a qualified engineer and that it will be safe if properly installed; and a second certification, by a qualified engineer, indicating that installation was completed in accordance with the original plan. Engineers who conduct the certifications must meet qualifications established by the Commission, and the individuals must be formally approved by the Commission.

The annual inspections of the recreational devices must be conducted prior to each use season.

The Commission's program of approval and inspection of winter recreational devices, and its inspections of ski area signage and insurance coverage, must be funded by fees charged to the owners or operators of the ski area. The Commission's expenses must be reimbursed directly to the Commission, and third-party payment is no longer authorized. The Commission must establish rules setting a fee schedule for the services it provides to the ski area owners or operators. The fees may vary based on the service or level of review.

Operators of aerial lifts, surface lifts, or similar devices must carry liability insurance in the minimum amount of $1 million per occurrence.

Votes on Final Passage:

Senate	47	2
House	84	12

Effective: June 12, 2014

ESSB 6040

C 202 L 14

Concerning invasive species.

By Senate Committee on Natural Resources & Parks (originally sponsored by Senators Honeyford, Hargrove, Pearson, Ranker, Parlette and Sheldon; by request of Department of Fish and Wildlife).

Senate Committee on Natural Resources & Parks
Senate Committee on Ways & Means
House Committee on Agriculture & Natural Resources
House Committee on Appropriations

Background: Classification and Regulation of Aquatic Animal Species. The Fish and Wildlife Commission (Commission) has the authority to classify species as a prohibited aquatic animal species or regulated aquatic animal species, depending on the risk level and any beneficial use of the species. Unless authorized by the Department of Fish and Wildlife (DFW), it is generally il-

legal to possess, transport, propagate, buy, sell, or release a prohibited or regulated aquatic animal species. The release of a regulated aquatic animal species or a species that has not yet been been classified is also illegal. In general these offenses are punishable as gross misdemeanors.

When the Commission identifies a prohibited aquatic animal species infestation, DFW must develop a rapid response plan to address potential actions such as eradication, containment, enforcement, and public education. DFW and other agencies may post signs at an infestation site to identify the infestation and notify the public of potential penalties for possessing and transporting these species.

Aquatic Invasive Species (AIS) Enforcement. In general anyone that has used a commercial or recreational watercraft outside of the state must have documentation that the watercraft is free of AIS. A violation of this requirement is an infraction. DFW must adopt rules to implement the documentation requirement, including identifying the types of allowable documentation.

Specifically, DFW may require anyone transporting a watercraft to stop at a check station and failure to do so is a gross misdemeanor. Check stations must be plainly marked and operated by at least one DFW Officer. A person with a watercraft that is contaminated with AIS must bear the expense for any necessary impoundment, transportation, or decontamination. However, a person who stops at a check station and complies with DFW directives is exempt from AIS-related criminal penalties and forfeiture.

Summary: Specifies General Invasive Species Authority. DFW is designated as the state's lead agency for managing many types of invasive species, both aquatic and terrestrial. Subject to the availability of funding, DFW may conduct activities to include the following: monitoring and rapid response actions; conducting education and outreach; aligning standards, classifications, and enforcement provisions with regional, national, and international provisions; and providing technical assistance or other support to government entities and private groups.

AIS Classification System. A new AIS classification system framework is established, similar to the existing classification system but with more potential classification options. DFW must adopt species classifications in consultation with the Invasive Species Council (Council). The framework is as follows:

- *Prohibited Species.* Prohibited species are a priority for prevention and management actions. There are three categories of prohibited species: level 1 species pose a high invasive risk and are a priority for prevention and rapid response actions; level 2 species pose a high invasive risk and are a priority for infested site management; and level 3 species pose a moderate to high invasive risk and may be appropriate for prevention or management action.
- *Regulated Species.* There are three classifications for regulated species. Type A species pose a low to moderate invasive risk and have a beneficial use; type B species pose a low or unknown risk and are used for personal or commercial uses, such as aquariums; and type C species pose a low or unknown risk and do not qualify as a type B species.
- Interim classifications are provided until new rules are adopted by DFW.

Rapid Response, Infested Site Management, and Quarantine Authorities. When a prohibited level 1 species is detected, DFW may implement rapid response management actions to contain, control, or eradicate the species. DFW may utilize an incident command system if the action exceeds seven days and cooperate with other agencies, specified entities, and private landowners. In implementing a rapid response management action, DFW may enter onto property when authorized by a warrant supported by reasonable cause.

Infested site management actions are authorized when a prohibited level 2 species is detected, and may include long-term actions to contain, control, or eradicate the species. DFW must consult with other agencies, specified entities, and private landowners. In implementing an infested site management action, DFW may enter onto property when authorized by a warrant supported by reasonable cause.

DFW may issue a quarantine declaration due to threats posed by a prohibited level 1 or 2 species. The declaration may include a prohibition or limitation on the movement of conveyances or water from an area. DFW may use this authority separately or in conjunction with a rapid response or infested site management action.

Additionally DFW may, in consultation with the Council, request that the Governor order emergency measures in circumstances where prohibited level 1 or 2 species pose an imminent environmental, economic, or human health danger. DFW may implement measures approved by the Governor, which may include the use of pesticides after consultation with other agencies and landowners and evaluation of alternative measures.

Notification, consultation, and appeals procedures are established for the exercise of these AIS management authorities, as well as a requirement that DFW publicly list infested water bodies. In exercising these authorities, DFW must endeavor to contain, control, and eradicate AIS while protecting human safety and minimizing impacts to the environment and landowners.

AIS Inspections and Decontamination. The scope of vehicles and equipment that must comply with AIS documentation requirements is expanded to any aquatic conveyance entering the state, which includes transportable personal property such as watercraft, watercraft-related equipment, float planes, fish tanker trucks, irrigation equipment, and fishing gear. DFW must implement this

requirement by rule, including identifying allowable certificate of inspection forms and the type of conveyances to which the requirement applies.

Anyone using an aquatic conveyance must clean and drain the conveyance after use on a water body or property. This includes removal of visible aquatic plants, animals, other organisms, and water from the water body. DFW may begin enforcing clean and drain provisions on watercraft and seaplanes transporting aquatic plants, but must adopt rules before enforcing the requirement more broadly.

As under current law, DFW may establish mandatory check stations for the inspection of watercraft. DFW may adopt rules covering other types of aquatic conveyances that must stop at check stations. At least one DFW officer, ex-officio officer, or agency representative must be present during check station operation. A person stopped at a check station must allow inspection for AIS and clean and drain requirements, and follow any clean and drain or decontamination orders given.

When encountering an aquatic conveyance with AIS, a DFW officer or ex-officio officer may require decontamination on site, prohibit launch into a water body until decontamination, require immediate transport to a decontamination station, or seize and transport the conveyance to a decontamination station. The specific order depends on the risk and availability of resources, and compliance must occur at the expense of the person in possession of the conveyance.

DFW may operate inspection and decontamination stations, which can be either part of or separate from inspection stations. Authorized representatives with sufficient training may operate inspection, decontamination, and check stations. These stations must be operated consistent with rules established by DFW. Within two years, DFW must submit a recommended fee schedule that DFW-authorized representatives may charge for inspection and decontamination services.

AIS Inspection and Enforcement. DFW officers and ex-officio officers are provided the authority to temporarily stop persons to inspect aquatic conveyances for AIS or compliance with clean and drain requirements based on reasonable cause; and execute a search or arrest warrant issued by a court based on probable cause that a violation of an invasive species law has occurred.

DFW staff may take samples of invasive species or inspect property or a water body under a warrant issued by a court based on probable cause that an invasive species is present and after seeking the owner's permission for the inspection.

The following acts are established as gross misdemeanors:

- failure to allow inspection while stopped at a check station;
- failure to comply with a decontamination order;
- possession of a prohibited level 1 or 2 species without DFW authorization;
- possession of, introduction of, or trafficking in a prohibited level 3 species without DFW authorization;
- introduction of a regulated type A, B, or C species without DFW authorization;
- failure to clearly identify by species or subspecies name a regulated type B species used for commercial purposes; and
- a knowing violation of a quarantine declaration.

Interfering with DFW personnel authorized by a warrant to conduct a rapid response or infested site management action is included within the existing crime of unlawful interfering in department operations, which is punishable as a gross misdemeanor. A class C felony is established for trafficking or introducing a prohibited level 1 or 2 species without DFW authorization, or if a person commits a second invasive species related act punishable as a gross misdemeanor within five years.

A new infraction is established for failure to follow clean and drain requirements or a clean and drain order.

In addition to criminal penalties, violators are subject to any costs incurred in managing the invasive species and its progeny. Certain exemptions apply to AIS offenses, including those in compliance with directives at a check station, acting in a manner authorized by DFW, or returning AIS caught while fishing into the water.

Other. Terms are defined. A number of rulemaking requirements are established. The new invasive species management statutes are located in a new RCW chapter. A number of AIS-related statutes are repealed. An intent section is included.

Votes on Final Passage:

Senate	48	0	
House	97	1	(House amended)
Senate	49	0	(Senate concurred)

Effective: June 12, 2014

ESSB 6041

C 48 L 14

Regarding fish and wildlife law enforcement.

By Senate Committee on Natural Resources & Parks (originally sponsored by Senators Hargrove, Pearson, Rolfes, Hewitt and Sheldon; by request of Department of Fish and Wildlife).

Senate Committee on Natural Resources & Parks
House Committee on Agriculture & Natural Resources

Background: The Department of Fish and Wildlife (DFW) is mandated to preserve, protect, perpetuate, and manage wildlife, and food fish, game fish, and shellfish in state waters and offshore waters. As part of this mandate, DFW is authorized to regulate many aspects of fishing,

harvesting, and hunting, including the type of species, quantities taken, the transportation, sale and disposal, classification of species, and reporting requirements. Based upon articulable facts that a person is engaged in fishing, harvesting, or hunting activities, DFW officers have the authority to temporarily stop the person and check for valid licenses, tags, permits, stamps, or catch record cards, and to inspect all fish, shellfish, seaweed, and wildlife in their possession.

DFW believes that the current laws protecting the state's fish and wildlife are inadequate to deter individuals from unlawfully possessing endangered fish species, illegally interacting with orca whales, harming or harassing fish or wildlife, possessing wildlife taken illegally in another state or country, or attempting to rehabilitate sick or injured animals without a permit. DFW also believes that many of the definitions and terms used in its enforcement statutes should be clarified and strengthened.

Summary: Existing definitions for fish buyer, to fish, and to hunt are clarified. New definitions are provided for the terms to take, to waste, unclassified wildlife, wild salmon, and wild steelhead.

The term resident is clarified to include active duty, nonretired members of the armed forces who are permanently stationed in the state or who designate Washington as their state of legal residence. Numerous other definitional and clarifying changes are made.

The crime of unlawful taking of endangered fish or wildlife is expanded from maliciously destroying to intentionally destroying eggs or nests of endangered fish or wildlife. The offense of unlawful taking of protected fish or wildlife is expanded to include when a person: (1) maliciously takes or harasses the fish or wildlife; (2) intentionally takes fish or wildlife; or (3) intentionally destroys eggs or nests. An exemption is created for the unlawful taking of eggs and nests if the action was done under a permit issued by DFW or a permit issued pursuant to the federal Endangered Species Act.

New penalties are imposed for the death of a white sturgeon longer than 55 inches, $2,000; any green sturgeon, $2,000; or a wild salmon or wild steelhead, $500. These additional penalties must be imposed, are in addition to any other current penalties, and may not be suspended, waived, modified, or deferred. The penalties are doubled if the person commits another violation that requires payment of a criminal wildlife penalty within five years or if the person took the fish with the intent of deriving an economic profit.

The fine, plus any statutory assessments, for illegal interactions with a southern resident orca whale is statutorily set at $500. The definition of vessel is clarified for the purpose of this infraction. Vessel does not include flotation devices customarily used by swimmers.

The grandfather clause is repealed that permitted trafficking in shark fin and its derivative products which were acquired before July 22, 2011.

The statutes regulating fish and shellfish accounting are merged and clarified. Commercial fishers, direct retail sellers, and other unlicensed persons, acting in such capacity, are added to the list of those individuals who can be found guilty of unlawful catch accounting. New definitions are added for the terms receives and delivers fish or shellfish. The related statute [RCW 77.15.560] is repealed as a result of the merged provisions.

A new misdemeanor crime is created to prohibit the possession of fish, shellfish, or wildlife that the person knows was taken in violation of another state's or country's laws. Another misdemeanor crime is created for engaging in wildlife rehabilitation without a permit issued by DFW. DFW must adopt rules that specify when a citizen may capture or transport animals for rehabilitation.

The Fish and Wildlife Commission may allow the Colville Tribes to issue fishing permits to nontribal members fishing on the waters of Lake Rufus Woods.

Votes on Final Passage:

Senate	47	0	
House	76	22	(House amended)
Senate	47	1	(Senate concurred)

Effective: June 12, 2014

SSB 6046

C 49 L 14

Implementing procedures concerning certain whistleblowers.

By Senate Committee on Commerce & Labor (originally sponsored by Senators Keiser, Rolfes, Conway, Kohl-Welles, Braun, Honeyford and Kline).

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

Background: In 2012 the Legislature provided whistleblower protection to employees working for elevator contractors who report, in good faith, practices which may violate state law, regulation, or employer policies. An employee of an elevator contractor who was subject to retaliatory action as the result of being a whistleblower has remedies for this action through the Human Rights Commission (HRC).

When a whistleblower complaint is filed, HRC will first review and evaluate the complaint and determine whether the action constitutes an unfair practice. HRC will investigate the complaint if the action does constitute an unfair practice, and reduce the results of the investigation into written findings of fact. Based on the investigation, HRC will make a determination of whether there is reasonable cause for believing that an unfair practice has been or is being committed. If HRC determines there is or has been an unfair practice, it will work to eliminate the unfair practice by conference, conciliation, and persuasion. If an agreement to eliminate the unfair practice can-

not be reached, a finding to that effect must be made, and the complaint will be forwarded to an administrative law judge for a formal hearing on the complaint.

Summary: HRC must notify the whistleblower of completion of the investigation. HRC then has 90 days to issue written findings of fact and a finding that there is or there is not reasonable cause for believing an unfair practice has been or is being committed. After a finding that there is reasonable cause to believe an unfair practice has been or is being committed, HRC has six months to try and reach an agreement for the elimination of the unfair practice through conference, conciliation, and persuasion. HRC may grant additional time to seek agreement for the elimination of the unfair practice based on extenuating facts and circumstances.

HRC must notify the whistleblower's union, if any, of the complaint and the results of the investigation.

Votes on Final Passage:

Senate	47	0
House	97	0

Effective: June 12, 2014

SSB 6054

C 134 L 14

Regarding aeronautic safety.

By Senate Committee on Transportation (originally sponsored by Senators Honeyford, Hobbs, Schoesler, Cleveland, Rivers, King, Dammeier, Bailey, Hatfield and Parlette).

Senate Committee on Transportation
House Committee on Transportation

Background: A guyed tower is secured with guy wires that are anchored in the ground. Guyed towers can typically support higher heights and/or heavier loads than a self-supporting tower. Generally, any construction or alteration to construction that is over 200 feet tall is regulated by the Federal Aviation Authority (FAA). The FAA requires that any tower or antenna structure be marked and lighted according to FAA regulations when the tower exceeds 200 feet in height.

Meteorological Evaluations Towers (METs) are typically used to measure wind speed and direction during development of wind energy conversion facilities. The METs are typically made from galvanized materials and are secured with guy wires. Many METs are below the 200-foot FAA threshold for obstruction markings. The towers can be erected quickly and without notice to the aviation community. Because of their color, pilots have reported difficulty seeing the METs from the air.

While there is no federal requirement to mark towers that are less than 200 feet tall, the FAA recommends the voluntary marking of MET towers less than 200 feet in remote and rural areas, and the National Transportation Safety Board recommends that all states enact legislation requiring all MET towers to be marked and registered in a directory. To date, ten states have legislation requiring that MET towers taller than 50 feet be clearly marked, and of those, four states also require a registry of those towers.

Summary: Any temporary or permanent guyed tower 25 feet or more in height located outside an incorporated city or town, not governed by an existing state or federal law or regulation, and on land that is primarily rural, undeveloped agricultural, or desert must be lighted, marked, and painted, or otherwise be visible in clear air during daylight hours from 2000 feet. Specific requirements related to marking and lighting the guyed tower are prescribed in the act.

An exemption to the guyed tower requirements is provided to power poles or structures owned and operated by an electric utility; any structure where the primary purpose is to support telecommunications equipment, such as amateur radio services regulated by the Federal Communications Commission; and guyed towers within 50 feet of a higher or equal height structure or vegetation.

A person who is in violation of these regulations is guilty of a misdemeanor.

Votes on Final Passage:

Senate	48	0	
House	96	1	(House amended)
Senate	49	0	(Senate concurred)

Effective: June 12, 2014

2SSB 6062

C 211 L 14

Requiring internet access to public school data and expenditure information.

By Senate Committee on Ways & Means (originally sponsored by Senators Hill, Litzow, Becker, Honeyford, Bailey, Hobbs, Angel, Fain, Braun and Tom).

Senate Committee on Early Learning & K-12 Education
Senate Committee on Ways & Means
House Committee on Education

Background: A collective bargaining agreement (CBA) is a legal contract between employers and employees that regulates the terms and conditions of employees in their workplace, their duties, and the duties of the employer. It is usually the result of a process of collective bargaining between an employer and a union representing workers. Specifically, in Washington the collective bargaining laws for school classified staff and certificated staff (but not superintendents or business managers) require that CBAs cover wages, hours, and terms and conditions of employment or working conditions.

The Office of Superintendent of Public Instruction (OSPI) is the primary agency charged with overseeing K-

12 public education in Washington State. OSPI works with the state's 295 school districts.

Summary: Each school district, charter school, and state-tribal compact school must publish on its website a copy of its public school employee collective bargaining agreements by September 1, 2014, and thereafter must update the website within 30 days of approval, renewal, or amendment of any such agreement.

Each school district that has an associated student body (ASB) program fund must publish the following information about the fund on its website:

- the fund balance at the beginning of the school year;
- summary data about expenditures and revenues occurring over the course of the school year; and
- the fund balance at the end of the school year.

This information must be published for each ASB of the district and each account within the ASB program fund.

If the school district website contains separate websites for schools in the district, the information under this section must be published on the website of the applicable school of the ASB.

No later than August 31, 2014, school districts must publish this information on their websites for the 2012-13 and 2013-14 school years. School districts must add updated annual information to their websites.

Votes on Final Passage:

Senate	40	9	
House	91	5	(House amended)
Senate	47	1	(Senate concurred)

Effective: June 12, 2014

SB 6065

C 87 L 14

Protecting children under the age of eighteen from the harmful effects of exposure to ultraviolet radiation associated with tanning devices.

By Senators King, Darneille, Kohl-Welles, Hewitt, Conway and Frockt.

Senate Committee on Commerce & Labor
House Committee on Health Care & Wellness

Background: Tanning of the skin is caused by exposure to ultraviolet (UV) radiation from the sun or artificial UV radiation. Tanning beds or booths are equipment that utilize tanning lamps to expose the skin to UV radiation, which induces tanning.

Tanning facilities are regulated in at least 33 other states. These regulations include minimum standards for tanning facilities, restrictions on access for minors, and the licensing, permitting, or registration of tanning facilities. Because sun and UV exposure in childhood and the teenage years can be highly damaging, policymakers in some states are regulating minors' use of tanning devices such as tanning beds. California, Illinois, Nevada, Texas, Vermont, and most recently Oregon, currently ban use of tanning beds for minors under the age of 18. Tanning facilities are currently not licensed or regulated in Washington.

Summary: Persons under age 18 are prohibited from using a UV tanning device without a prescription for UV radiation treatment from a licensed physician. Users of UV tanning equipment must present proof of age by presenting a driver's license or other government-issued identification with a date of birth and photograph. Tanning facilities that allow individuals under age 18 to use a tanning device are liable for a civil penalty of no more than $250 per violation.

Votes on Final Passage:

Senate	40	8	
House	58	39	(House amended)
Senate	42	6	(Senate concurred)

Effective: June 12, 2014

SSB 6069

C 35 L 14

Modifying community custody conditions for sex offenders.

By Senate Committee on Human Services & Corrections (originally sponsored by Senators Rivers, Darneille, King, Litzow, Fain, Becker, Kohl-Welles, Roach and Brown).

Senate Committee on Human Services & Corrections
House Committee on Public Safety

Background: When a court sentences a person to a term of community custody, the court must specify conditions of that supervision. Some conditions are mandatory. Other conditions are discretionary and determined by the judge on a case-by-case basis. The court has discretion to order a condition requiring the offender to refrain from direct or indirect contact with the victim of the crime or a specified class of individuals. When an offender is placed on community custody with the Department of Corrections (DOC), DOC has the authority to add conditions, so long as those conditions do not conflict with those ordered by the court.

Anyone may request notice from DOC when a specific sex offender will be released or transferred to community custody or work release. DOC must provide the requestor with notice of the offender's proposed residence and give the person an opportunity to provide information and comments on the potential safety risks to specific persons that the offender may pose.

Summary: DOC may require a sex offender to refrain from contact with the victim of the crime or an immediate family member of the victim. If a victim or an immediate family member of a victim requests that the offender not

contact them, DOC must require the offender to refrain from contact with the requestor. If the victim is a minor, the parent or guardian of the victim may make a request on the victim's behalf.

At the time of providing notice of a sex offender's proposed residence to persons who requested notice, DOC must also inform the person that a victim or an immediate family member of a victim may request that the offender refrain from contacting that person as a condition of the offender's community custody if the condition is not already provided by court order.

Votes on Final Passage:

Senate	49	0
House	98	0

Effective: June 12, 2014.

SSB 6074

C 212 L 14

Enacting provisions to improve educational outcomes for homeless students.

By Senate Committee on Early Learning & K-12 Education (originally sponsored by Senators Frockt, O'Ban, Mullet, Litzow, Rolfes, Fain, Billig, Rivers, Hasegawa, Kohl-Welles, Conway, Keiser, McAuliffe, Darneille, Fraser, Ranker, Kline and Brown).

Senate Committee on Early Learning & K-12 Education
House Committee on Education

Background: The Office of Superintendent of Public Instruction (OSPI) is the primary agency charged with overseeing K-12 public education in Washington State. OSPI works with the state's 295 school districts.

OSPI has a brochure for parents posted on its website that explains the educational rights of children and youth experiencing homelessness and informs parents about ways in which they can support their children's education during times of homelessness. The brochure was created by the National Center for Homeless Education.

According to OSPI, Washington school districts reported a total of 27,390 homeless students enrolled in school during the 2011-12 school year.

Summary: By January 10, 2015, and every odd-numbered year thereafter, OSPI must report to the Governor and the Legislature the following data regarding homeless students:

1. the number of identified homeless students enrolled in public schools;
2. the number of students participating in a Learning Assistance Program, the Highly Capable Program, and the Running Start Program; and
3. the academic performance and educational outcomes of homeless students, including but not limited to the following performance and educational outcomes:
   a. student scores on the statewide administered academic assessments;
   b. English language proficiency;
   c. dropout rates;
   d. four-year adjusted cohort graduation rate;
   e. five-year adjusted cohort graduation rate;
   f. absenteeism rates;
   g. truancy rates, if available; and
   h. suspension and expulsion data.

This reported data must include state and district-level information and must be disaggregated by at least the following subgroups of students: White, Black, Hispanic, American Indian/Alaskan Native, Asian, Pacific Islander/Hawaiian Native, low-income, transitional bilingual, migrant, special education, and gender.

By July 1, 2014, OSPI, in collaboration with experts from community organizations on homelessness and homeless education policy, must develop or acquire a short video that provides information on how to identify signs that indicate a student may be homeless, how to provide services and support to homeless students, and why this identification and support is critical to student success. The video must be posted on OSPI's website.

By July 1, 2014, OSPI must adopt and distribute to each school district best practices for choosing and training school district-designated homeless student liaisons.

On an annual basis, each school district must strongly encourage:

- all school staff to annually review the video posted on OSPI's website on how to identify signs that indicate a student may be homeless, how to provide services and support to homeless students, and why this identification and support is critical to student success to ensure that homeless students are appropriately identified and supported; and
- every district-designated homeless student liaison to attend trainings provided by the state to ensure that homeless children and youth are identified and served.

Each school district must include in existing materials that are shared with students at the beginning of the school year or at enrollment information about services and support for homeless students. School districts may use the brochure posted on OSPI's website as a resource. Schools are also strongly encouraged to use a variety of communications each year to notify students and families about services and support available to them if they experience homelessness, including but not limited to:

- distributing and collecting an annual housing intake survey;
- providing parent brochures directly to students and families;
- announcing the information at school-wide assemblies; or

- posting information on the district's website or linking to OSPI's website.

School districts must report annually to OSPI on a number of issues, including but not limited to dropout rates for student populations in each of the grades 7 through 12 by identified homeless status.

Votes on Final Passage:

Senate	48	0
House	90	6

Effective: June 12, 2014

SSB 6078

C 177 L 14

Recognizing "Native American Heritage Day."

By Senate Committee on Governmental Operations (originally sponsored by Senators McCoy, Kohl-Welles and Conway).

Senate Committee on Governmental Operations
House Committee on Community Development, Housing & Tribal Affairs

Background: There are 29 federally recognized tribes in Washington. In the 2010 federal census, approximately 90,000 state residents identified themselves as American Indian or Alaska Native.

Sunday and the following ten days are Washington legal and school holidays: New Year's Day, January 1; Martin Luther King Jr. Day, the third Monday in January; Presidents' Day, the third Monday in February; Memorial Day, the last Monday in May; Independence Day, July 4; Labor Day, the first Monday in September; Veterans' Day, November 11; Thanksgiving Day, the fourth Thursday in November; the day immediately following Thanksgiving Day; and Christmas Day, December 25. Washington law also designates several other days honoring particular individuals, groups, events, and principles, but they are not state legal or school holidays. None specifically recognize or honor Native American heritage.

Two states have designated days honoring Native American heritage as state legal holidays: South Dakota, the second Monday in October, and Maryland, the Friday after Thanksgiving Day. Alabama has designated the second Monday in October, a state legal holiday, as American Indian Heritage Day, Columbus Day, and Fraternal Day. Eleven other states have designated days, weeks, or months honoring Native Americans, but not as state holidays.

The federal government has occasionally designated days honoring Native American heritage, but not as federal legal holidays. Since 2009 President Barack Obama has annually proclaimed November as National Native American Heritage Month and the day after Thanksgiving as Native American Heritage Day.

Summary: The existing unnamed state legal and school holiday on the Friday immediately following the fourth Thursday in November, Thanksgiving Day, is recognized as Native American Heritage Day.

Votes on Final Passage:

Senate	49	0
House	93	5

Effective: June 12, 2014

SSB 6086

C 135 L 14

Reducing PCBs in products purchased by agencies.

By Senate Committee on Energy, Environment & Telecommunications (originally sponsored by Senators Billig, Ericksen, McCoy and Rolfes).

Senate Committee on Energy, Environment & Telecommunications
House Committee on Environment

Background: Polychlorinated biphenyl (PCBs) are manmade chemicals that were manufactured from 1929 until 1979. Because of their chemical stability, low flammability, and electrical insulating properties, PCBs were used in a variety of industrial and commercial applications such as insulating electrical and hydraulic equipment; plasticizers in paints, plastics, and rubber products; and in pigments and dyes.

However, chemical stability also makes PCBs long-lasting in the environment. According to the United States Environmental Protection Agency, PCBs are a probable human carcinogen and may have serious non-cancer health impacts to the immune, reproductive, nervous, and endocrine systems, as well as other health effects. There are human health and environmental concerns from the accumulation of PCBs in the environment.

Although the manufacture, processing, and distribution of PCBs were banned in 1979, the use of PCBs is still allowed under certain circumstances where it is demonstrated that there is no unreasonable risk of injury to health or the environment. Authorized uses include certain totally enclosed electric equipment and natural gas systems. PCBs are also found in consumer products as the result of unintentional contamination during the manufacturing process.

Summary: The Department of Enterprise Services (DES) must establish a purchasing and procurement policy that provides a preference for products and products in packaging that do not contain PCBs. Unless it is not technically feasible or cost effective, no state agency may purchase products or products in packaging containing PCBs above the practical quantification limit.

DES is not required to test every product purchased. DES may accept from suppliers, individuals, organizations, businesses, and manufacturers accredited laboratory

or testing facility results documenting product or product packaging PCB levels. In addition, DES may request from suppliers documented product and product packaging PCB information.

Practical quantification limit is defined to mean the lowest concentration that can be reliably measured within specified precision, accuracy, representativeness, completeness, and comparability during routine laboratory operating conditions.

The requirement that products or product packaging must not contain PCBs does not apply to existing contracts, or stock that has been ordered or is in the possession of an agency as of the effective date of the act.

Votes on Final Passage:

Senate	48	1	
House	62	36	(House amended)
Senate	49	0	(Senate concurred)

Effective: June 12, 2014

SB 6093

C 50 L 14

Allowing valid portable background check clearance cards issued by the department of early learning to be used by certain educational employees and their contractors for purposes of their background check requirements.

By Senators Rolfes, Dammeier, Billig, Kohl-Welles and McAuliffe; by request of Department of Early Learning and Superintendent of Public Instruction.

Senate Committee on Early Learning & K-12 Education
House Committee on Education

Background: The Department of Early Learning (DEL) was created in 2006. DEL oversees many programs and services, including but not limited to licensing and monitoring of family home child care facilities and child care centers; the Early Childhood Education and Assistance Program; the Early Support for Infants and Toddlers Program; home visiting services; the Washington Kindergarten Inventory of Developing Skills; Medicaid Treatment Child Care; the Early Learning Advisory Council; and Early Achievers, Washington's quality rating and improvement system.

DEL is required by law to conduct background checks of applicants for employment in any licensed child care facility. According to DEL, in state fiscal year 2013, 42,490 applicable background checks were performed. Cleared background checks are good for three years in Washington, and are portable, which means the individual may use the individual's clearance to work in multiple child care settings.

Anyone over 16 years of age who is new to the child care field or has lived in Washington for less than three consecutive years must also have a fingerprint check done. DEL contracts with a vendor that collects the electronic fingerprints and sends them to the Washington State Patrol (WSP), which works with the Federal Bureau of Investigation (FBI) to process the fingerprints. The results are sent to DEL. The fees paid to the vendor for a fingerprint-based background check are $44 for licensees, employees, and household members, and $42.50 for volunteers.

The Office of Superintendent of Public Instruction (OSPI) is the primary agency charged with overseeing K–12 public education in Washington State. OSPI works with the state's 295 school districts.

Summary: Individuals who hold a valid portable background check clearance card issued by DEL can meet certain requirements that allow them to be employed in an educational setting in a position where they have regular unsupervised access to children by providing a true and accurate copy of their WSP and FBI background report results to OSPI.

To become a certified employee in common schools of this state, an applicant who holds a valid portable background check clearance card issued by DEL is exempt from OSPI's fingerprint background check if the individual provides a true and accurate copy of the individual's WSP and FBI background report results to OSPI.

Votes on Final Passage:

Senate	48	0
House	85	12

Effective: 90 days.

SSB 6095

C 88 L 14

Addressing background checks for persons who will have access to children or vulnerable adults.

By Senate Committee on Human Services & Corrections (originally sponsored by Senators Hargrove, Kline and Roach).

Senate Committee on Human Services & Corrections
House Committee on Early Learning & Human Services

Background: The Children's Administration (CA) of the Department of Social and Health Services (DSHS) obtains background information by means of a background check for persons who serve as placement resources for dependent children who the state removes from their home. A dependent child is a child who has been abandoned, abused, or neglected by a person legally responsible for the child's care; who has no parent or guardian capable of adequately caring for the child; or who is receiving extended foster care services. State law requires the state to give preference to a relative or other suitable person in making placement decisions. A suitable person is defined as a person with whom the child or family has a preexisting relationship, who has completed all required criminal history background checks, and who appears to be suitable and competent to provide care for the child.

A background check may reveal criminal history, child abuse or neglect history, and other information. The background check may consist of a check based on name and date of birth, which reveals information based on Washington State records; or a fingerprint-based check with FBI databases, which reveals consolidated national criminal history records. The fingerprint-based check requires greater time and expense to complete than a check based on name and date of birth.

According to published CA policy, CA staff must disqualify persons from being authorized to provide care for children based on a document called the DSHS Secretary's List of Disqualifying Crimes & Negative Actions (Secretary's List). The Secretary's List identifies crimes and negative actions, such as a finding of abuse, neglect, exploitation, or abandonment of a vulnerable adult, juvenile, or child, that may trigger disqualification. Crimes and negative actions may be identified as permanent disqualifiers, or five-year disqualifiers. If crimes or negative actions exist which are not permanent disqualifiers or five-year disqualifiers that are within the five-year disqualification window, CA staff must perform an administrative review of the character and suitability of the person for the license or employment that the person is seeking with reference to an enumerated list of factors. CA policy states that in rare circumstances, an administrative approval or waiver may be granted to authorize an exception for a person with a disqualifying crime or negative action. This waiver must be requested by a social worker, licensor, or contract manager and submitted to the CA Assistant Secretary or, in some circumstances, a regional or area administrator.

The Adoption and Safe Families Act of 1997 (ASFA) is an act of Congress. ASFA provides that no federal Title IV-E funds or adoption support funds may be used to support placements of children with persons who have a history of certain crimes. In some instances, the list of crimes provided by ASFA is less extensive than the Secretary's List, in that a crime listed as a permanent disqualifier by the Secretary's List is listed as a five-year disqualifier by ASFA, or a crime listed as a permanent or five-year disqualifier by the Secretary's List does not appear on the ASFA list. The negative action of a finding of child abuse or neglect is not listed as a permanent or five-year disqualifier by ASFA.

When placing a child in shelter care, if the court places the child with a relative or suitable person, state law provides that the criminal history background check need not be completed before placement, but may be completed as soon as possible after placement, if the relative or other suitable person appears otherwise suitable and competent to provide care and treatment.

Summary: If an agency operating under contract with CA chooses to hire a person who would be precluded from employment with DSHS based on a disqualifying crime or negative action, DSHS and its officers and employees are not liable for harm to a child or DSHS client attributable to such person.

CA must not deny or delay a license or approval of unsupervised access to children based solely on a crime or infraction that is not disqualifying under ASFA, or does not relate directly to child safety, permanence, or wellbeing.

A person licensed or employed in a position which provides care and treatment to vulnerable adults, children, persons with mental illness, or persons with developmental disabilities must not be disqualified for licensure or employment based upon a crime or negative action if the crime or negative action was reviewed by DSHS through its Background Assessment Review Team process in 2002 and the person was permitted to remain in the position of licensure or employment. DSHS and DOH must not automatically disqualify a person for licensure or employment based upon a crime or disposition that has been the subject of a pardon, annulment, or other equivalent procedure.

Votes on Final Passage:

Senate	47	2	
House	97	0	(House amended)
Senate	49	0	(Senate concurred)

Effective: June 12, 2014

SB 6115

C 203 L 14

Exempting licensed private investigators from process server requirements.

By Senators Benton, Roach, Billig and Hobbs.

Senate Committee on Commerce & Labor
House Committee on Judiciary

Background: People who serve legal process for a fee in Washington must be at least 18 years old, be a resident of Washington, and register as a process server with the auditor of the county where the process server resides or operates a business. However, a person does not need to be a resident or register as a process server if that person is:

- a sheriff, deputy sheriff, marshal, constable, or government employee who is acting in the course of employment;
- an attorney or the attorney's employees, both of whom are not serving for a fee;
- court appointed to serve the court's process; or
- not receiving a fee or wage for serving process.

Summary: A person does not need to be a resident or register as a process server if the person is a licensed private investigator.

Votes on Final Passage:

Senate	49	0
House	86	12

Effective: June 12, 2014

SSB 6124
C 89 L 14

Developing a state Alzheimer's plan.

By Senate Committee on Health Care (originally sponsored by Senators Keiser, Dammeier, Hargrove, Ranker, McCoy, Hasegawa, Conway, Darneille, McAuliffe, Cleveland, Billig, Rolfes, Nelson, Mullet, Fraser, Frockt, Eide, Kohl-Welles, Kline, Hobbs, Pedersen, Hatfield, Parlette, Roach and Becker).

Senate Committee on Health Care
House Committee on Health Care & Wellness

Background: Alzheimer's is a type of dementia that causes problems with memory, thinking, and behavior. Symptoms usually develop slowly and get worse over time. In the early stages, memory loss is mild, but with late-stage Alzheimer's, individuals lose the ability to carry on a conversation and respond to their environment. Alzheimer's is the sixth-leading cause of death in the United States and the third-leading cause of death in Washington State. Currently, more than 150,000 people in Washington State have Alzheimer's disease or another form of dementia. For most of these people, care is provided by a family member.

Forty-four states have enacted or are in the process of enacting Alzheimer's state plans. In general, state plans:

- work with stakeholders affected by Alzheimer's disease, including people who have been diagnosed with the disease as well as their caregivers;
- develop public awareness programs to help people recognize the signs of Alzheimer's disease and the services that are available for people with Alzheimer's disease as well as their caregivers;
- develop ways to support unpaid caregivers;
- encourage increased detection and diagnosis of Alzheimer's disease;
- address the stigma related to the diagnosis of Alzheimer's disease and provide information to overcome misperceptions related to the disease;
- address ways to improve individual health care of people with Alzheimer's disease;
- explore ways to expand the capacity of the health care system to meet the growing number and needs of people with Alzheimer's disease, including increasing the health care workforce;
- develop ways to train health care professionals in working with people with Alzheimer's disease;
- seek ways to improve services provided in the home and community to delay the need for institutionalize care as well as improving services in assisted living facilities; and
- address public safety issues relating to people with Alzheimer's disease.

Summary: The Department of Social and Health Services must develop a workgroup of stakeholders to develop an Alzheimer's plan for the state of Washington. The workgroup must consider and make recommendations on the following:

- promotion of early detection and diagnosis of Alzheimer's disease and dementia;
- trends in the state's Alzheimer's population and service needs;
- the state's role in long-term care, family caregiver support, and assistance to people with early-stage and early onset of Alzheimer's disease; and
- estimates of the future impacts of the disease on the state.

The workgroup must also address existing resources, services, and capacity relating to Alzheimer's disease. This includes the type, cost, and availability of dementia services, and dementia-specific training requirements for caregivers of those at all stages of Alzheimer's disease as well as quality care measures for assisted living facilities and the adequacy of services and assisted living options for people with the disease.

Stakeholders included in the workgroup represent state agencies, health care providers, adult family home providers, people with Alzheimer's disease and their families and caregivers, health care policy advocates, and researchers.

Votes on Final Passage:

Senate	47	1
House	90	6

Effective: June 12, 2014

E2SSB 6126
C 108 L 14

Concerning representation of children in dependency matters.

By Senate Committee on Ways & Means (originally sponsored by Senators O'Ban, Darneille, Becker, Tom, Fraser, Pedersen, Kline, Pearson, Kohl-Welles, Braun and Frockt).

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

Background: The Department of Social and Health Services (DSHS) or any person may file a petition in court to determine if a child should be a dependent of the state due to abuse, neglect, abandonment, or because there is no parent or custodian capable of caring for the child. If the court determines that the child is dependent, then the court will conduct periodic reviews and make determinations about the child's placement and the parents' progress in

correcting parental deficiencies. Under certain circumstances, the court may order the filing of a petition for the termination of parental rights. If a child has been in out-of-home placement for 15 of the most recent 22 months, then the court must order DSHS to file a petition for termination, in the absence of a good-cause exception.

The court must appoint a guardian ad litem (GAL) for a child in a dependency proceeding unless the court finds the appointment unnecessary. The court has the discretion to appoint an attorney to represent a child in a dependency.

DSHS and the child's GAL must notify a child who is age 12 or older of the child's right to request an attorney and must ask the child whether the child wants an attorney. DSHS and the GAL must notify the child about the right to an attorney annually, and also upon the filing of any motion affecting the child's placement, services, or familial relationships.

DSHS must note in the child's service and safety plan, and the GAL must note in the report to the court, the child's position regarding the appointment of an attorney. The GAL must provide the court with the GAL's recommendation about whether the appointment of an attorney is in the child's best interests.

The court must also ask a child who is age 12 or older whether the child has been informed by DSHS and the GAL regarding the child's right to request an attorney. The court must make an additional inquiry at the first regularly scheduled hearing after the child's 15th birthday.

Summary: The court must appoint an attorney for a child in a dependency proceeding six months after granting a petition to terminate the parent and child relationship and when there is no remaining parent with parental rights. If a child is not already represented, then the court must appoint an attorney for a child when there is no remaining parent with parental rights for six months or longer prior to the effective date of this act. The court may appoint one attorney to a group of siblings, unless there is a conflict of interest, or such representation is otherwise inconsistent with the rules of professional conduct.

Subject to the availability of amounts appropriated for this specific purpose, the state must pay the costs for legal services of attorneys appointed to represent children six months after termination of parental rights if those services are provided in accordance with the standards of practice, voluntary training, and caseload limits developed and recommended by the statewide children's representation workgroup. When one attorney represents a sibling group, however, the first child is counted as one case, and each child thereafter is counted as one-half case for the purpose of determining compliance with caseload standards.

The court may appoint an attorney to represent the child's position in any dependency action on its own initiative, or upon the request of a parent, the child, a GAL, a caregiver, or DSHS.

The child or any individual may retain an attorney for the purpose of filing a motion to request appointment of an attorney at public expense. Nothing with respect to this provision should be construed to change or alter the confidentiality provisions under RCW 13.50.100.

The Office of Civil Legal Aid (OCLA) must administer any money appropriated for the appointment of an attorney for a legally free child. OCLA may enter into contracts with counties to disburse state funds and may require a county to use attorneys under contract with the office to remain within appropriated amounts. Prior to disbursing state funds, OCLA must verify that the appointed attorneys meet the standards of practice, voluntary training, and caseload limits.

Votes on Final Passage:

Senate	47	0	
House	97	0	(House amended)
Senate	49	0	(Senate concurred)

Effective: July 1, 2014

SB 6128

PARTIAL VETO

C 204 L 14

Concerning the delivery of medication and services by unlicensed school employees.

By Senators Litzow, McAuliffe, Hobbs, Dammeier, Tom and Mullet.

Senate Committee on Early Learning & K-12 Education
House Committee on Education

Background: According to statute, the state Nursing Care Quality Assurance Commission's (Commission's) purpose is to regulate the competency and quality of professional health care providers under its jurisdiction by establishing, monitoring, and enforcing qualifications for licensing, consistent standards of practice, continuing competency mechanisms, and discipline. Rules, policies, and procedures developed by the Commission must promote the delivery of quality health care to the residents of the state of Washington.

Registered nursing practice is defined in statute as the performance of acts requiring substantial specialized knowledge, judgment, and skill based on the principles of the biological, physiological, behavioral, and sociological sciences in a number of specific areas.

Advanced registered nurse practitioners, according to law, may under their license perform for compensation nursing care, of the ill, injured, or infirm, and in the course thereof, may perform a number of other tasks.

Summary: Beginning July 1, 2014, a school district employee not licensed under the Nursing Care statute who is asked to administer medications or perform nursing services not previously recognized in law must file, at the time the employee is asked to administer the medication or perform the nursing service and without coercion by the employer, a voluntary, written, current, and unexpired let-

ter of intent stating the employee's willingness to administer the new medication or nursing service. It is understood that the letter of intent expires if the conditions of acceptance are substantially changed. If a school employee who is not licensed under the Nursing Care statute chooses not to file a letter, the employee is not subject to any employer reprisal or disciplinary action for refusing to file a letter.

If a school employee provides the medication or service to a student in substantial compliance with rules adopted by the Commission and the instructions of a registered nurse or advanced registered nurse practitioner issued under such rules and written policies of the school district, then the employee, the employee's school district or school of employment, and the members of the governing board and chief administrator thereof are not liable in any criminal action or for civil damages in individual, marital, governmental, corporate, or other capacity as a result of providing the medication or service.

The board of directors must designate a professional person licensed under certain medical professional statutes to consult and coordinate with the student's parents and health care provider, and train and supervise the appropriate school district personnel in proper procedures to ensure a safe, therapeutic learning environment. School employees must receive the training provided under this subsection before they are authorized to deliver the service or medication. Such training must be provided, when necessary, on an ongoing basis to ensure that the proper procedures are not forgotten because the services or medication are delivered infrequently.

Non-nurse school employees are added to the list of individuals who are not liable for civil damages resulting from any act or omission in the rendering of emergency care at the scene of an emergency, during a school activity or in transporting a person therefrom, other than acts or omissions constituting gross negligence or willful or wanton misconduct.

Votes on Final Passage:

Senate	48	0	
House	95	2	(House amended)
Senate	49	0	(Senate concurred)

Effective: June 12, 2014

Partial Veto Summary: The Governor vetoed intent language regarding student health conditions and nursing services at schools that was not necessary to implement or interpret the substantive provisions of the act.

VETO MESSAGE ON SB 6128

April 02, 2014

To the Honorable President and Members,
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to Section 1, Senate Bill No. 6128 entitled:

"AN ACT Relating to the delivery of medication and services by unlicensed school employees."

This legislation provides important guidance for school districts with regards to school employees assisting with nursing services and delivery of medications.

Section 1 is an intent section that discusses various experiences of school nurses and other employees, and is not necessary to interpret or implement the substantive provisions of the bill.

For these reasons I have vetoed Section 1 of Senate Bill No. 6128.

With the exception of Section 1, Senate Bill No. 6128 is approved.

Respectfully submitted,

Jay Inslee
Governor

SSB 6129

PARTIAL VETO
C 136 L 14

Concerning paraeducator development.

By Senate Committee on Early Learning & K-12 Education (originally sponsored by Senators Hill, McAuliffe, Tom, Dammeier, Hobbs, Litzow, Baumgartner and Mullet).

Senate Committee on Early Learning & K-12 Education
Senate Committee on Ways & Means
House Committee on Education
House Committee on Appropriations Subcommittee on Education

Background: Paraeducators are classified staff in a school who perform many functions, including providing instructional assistance and tutoring under the supervision of a teacher. There are no state requirements regarding the educational qualifications of paraeducators, although the Office of Superintendent of Public Instruction (OSPI) has developed recommended core competencies and guidelines for paraeducators.

Under the federal No Child Left Behind Act, paraeducators who provide instruction and are paid in whole or in part by federal Title I funds must meet a federal definition of highly qualified. Since 2006 Title I paraeducators must have a high school diploma or equivalent, and one of the three of the following:

- have completed two years of study at an institution of higher education;
- have earned an Associate's Degree or higher; or
- demonstrate competency through an approved formal assessment.

In Washington, there are multiple options for the formal assessment, including an online assessment administered by the Educational Testing Service; a portfolio that is graded by a regional review panel; a school district assessment approved by OSPI; or an approved paraeducator apprenticeship program.

Paraeducators who are not associated with federal Title I are not required to meet these qualifications, although

many districts encourage it to allow for flexibility in staffing.

Summary: Paraeducator Workgroup. The Professional Educator Standards Board (PESB) must convene a workgroup to design program specific minimum employment standards for paraeducators, professional development and education opportunities that support the standards, a paraeducator career ladder, an articulated pathway for teacher preparation and certification, and teacher professional development on how to maximize the use of paraeducators in the classroom.

The workgroup must include representatives from the following:

- PESB;
- the Green River Community College Center of Excellence for Careers in Education;
- Educational Service Districts;
- community and technical college paraeducator apprenticeship and certificate programs;
- colleges of education;
- teacher, paraeducator, principal, and administrator associations;
- career and technical education;
- special education parents and advocacy organizations;
- community-based organizations representing immigrant and refugee communities;
- community-based organizations representing communities of color;
- the Educational Opportunity Gap Oversight and Accountability Committee; and
- OSPI.

By January 10, 2015, the workgroup must submit a report to the Legislature recommending:

- appropriate minimum employment standards and professional development opportunities for paraeducators who work in English language learner programs, transitional bilingual instruction programs, federal limited English proficiency programs, the Learning Assistance Program, and the Federal Disadvantaged Program;
- a career ladder that encourages paraeducators to pursue advanced education and professional development; and
- professional development for certificated employees that focuses on maximizing the success of paraeducators in the classroom.

The workgroup must also report on proposals for an articulated pathway for teacher preparation including the following:

- paraeducator certificate and apprenticeship programs that offer course credits that apply to transferrable associate degree programs and are aligned with the standards and competencies adopted by PESB;
- associate degree programs that build upon and do not duplicate the courses and competencies of paraeducator certificate programs, incorporate field experiences, are aligned with the standards and competencies for teachers adopted by PESB, and are transferrable to bachelor's degree in education programs and teacher certification programs;
- bachelor's degree programs that lead to teacher certification that build upon and do not duplicate the courses and competencies of transferrable associate degrees;
- incorporation of the standards for cultural competence developed by PESB and codified at RCW 28A.410.270 throughout the courses and curriculum of the pathway, particularly focusing on multicultural education and principles of language acquisition; and
- comparing the current status of pathways for teacher certification to the elements of the articulated pathway, highlighting gaps and recommending strategies to address those gaps.

The workgroup must submit a final report to the education committees of the Legislature by January 10, 2016, detailing minimum employment standards for basic education and special education paraeducators and appropriate professional development and training to help paraeducators meet the employment standards.

The section creating the workgroup expires June 30, 2016.

Implementation of Articulated Pathway. PESB and the State Board of Community and Technical Colleges (SBCTC) are authorized to implement the articulated pathway regarding teacher preparation and certification recommended by the workgroup in approved teacher certification programs and certificate and degree programs offered by community and technical colleges.

Transferability of Credit. Beginning in the 2015-16 academic year, any community or technical college that offers an apprenticeship program or certificate program for paraeducators must provide candidates the opportunity to earn transferrable course credits within the program. The programs must also incorporate the standards for cultural competence, including multicultural education and principles of language acquisition, developed by PESB and codified at RCW 28A.410.270.

Votes on Final Passage:

Senate	48	0	
House	92	5	(House amended)
Senate			(Senate refused to concur/asked House to recede)
House	92	6	House receded

Effective: June 12, 2014

Partial Veto Summary: The Governor vetoed intent language regarding the various experiences of current school paraeducators that was not necessary to implement or interpret the substantive provisions of the act.

VETO MESSAGE ON SSB 6129

March 28, 2014

To the Honorable President and Members,
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to Section 1, Substitute Senate Bill No. 6129 entitled:

"AN ACT Relating to paraeducator development."

This legislation directs the Professional Educator Standards Board to convene a workgroup to design minimum employment standards, professional development, and an articulated career ladder leading to certification for paraeducators. It also requires the state's community and technical colleges to incorporate cultural competency training into their paraeducator training programs and to these candidates the opportunity to earn transferrable credits.

Section 1 is an intent section that discusses various experiences of school paraeducators, and is not necessary to interpret or implement the substantive provisions of the bill.

For these reasons I have vetoed Section 1 of Substitute Senate Bill No. 6129.

With the exception of Section 1, Substitute Senate Bill No. 6129 is approved.

Respectfully submitted,

Jay Inslee
Governor

SB 6134
C 36 L 14

Addressing nondepository institutions regulated by the department of financial institutions.

By Senators Hobbs, Benton, Hatfield, Mullet and Fain; by request of Department of Financial Institutions.

Senate Committee on Financial Institutions, Housing & Insurance
House Committee on Business & Financial Services

Background: The Department of Financial Institutions (DFI) has the authority to enforce laws and rules related to the licensing and regulation of escrow agents, mortgage brokers, consumer loan companies, check cashers and sellers, and payday lenders.

Statute of Limitations. When DFI seeks to enforce laws and regulations within its jurisdiction, there is no statute of limitation as to when the agency can bring an action. RCW 4.16.160 specifies that there is no statute of limitations to actions brought in the name or for the benefit of the state, except for construction-related claims for which the statute of limitations is six years.

Nationwide Registry. The Nationwide Mortgage Licensing System (NMLS) was created in 2004 by the Conference of State Bank Supervisors and the American Association of Residential Mortgage Regulators. On July 30, 2008, President Bush signed House Resolution 3221 (P.L. 110-289) into law. Title V of House Resolution 3221 is referred to as the Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (SAFE Act). Under the SAFE Act, all states must have a system of licensing in place for residential mortgage loan originators. Currently, all consumer loan companies and mortgage brokers that do business in several states must use the NMLS and Registry.

For consumer loan companies and mortgage brokers, information may be shared by the Director of DFI with other governmental agencies and regulatory associations without a loss of any privilege or confidentiality under the law.

Summary: For actions brought by DFI other than those brought in the name of the state or to benefit the state, the statute of limitations is five years.

Payday lenders and money transmitters that are multistate businesses must provide financial reports electronically.

Information that DFI receives from other regulators under the Check Cashers and Sellers Act is considered confidential under state and federal law.

Language regarding fingerprinting that DFI does for the Federal Bureau of Investigation and the Washington State Patrol is clarified.

Votes on Final Passage:

Senate	48	0
House	97	1

Effective: June 12, 2014.

SB 6135
C 37 L 14

Addressing banks and trust companies.

By Senators Benton, Mullet, Hatfield, Hobbs and Fain; by request of Department of Financial Institutions.

Senate Committee on Financial Institutions, Housing & Insurance
House Committee on Business & Financial Services

Background: A trust is a form of ownership of property that separates responsibility or control of the property from the benefits of ownership. Washington law defines a trust company as a corporation organized under the laws of the state engaged in trust business. In general terms, Washington law defines trust business as executing trusts of every description consistent with the law. Trust companies also have powers and privileges conferred on banks, but they are subject to the restriction that the Department of Financial Institutions (DFI) may require that they have FDIC insurance and be otherwise capitalized as an FDIC-insured bank before they may conduct themselves as a bank, that is, take deposits from the public.

DFI is the regulator of state-chartered banks and trust companies. In order to legally engage in trust business in the state, a non-bank corporation or limited liability company must obtain a trust company charter. DFI, as the primary state regulator, is responsible for oversight of the safety and soundness of such state-chartered financial institutions.

Banking and trust provisions are currently commingled under Title 30 RCW. The chapters of this title govern both the conduct and regulation of banks as well as trust companies. There are concerns regarding the transparency of banks and trust companies being regulated under the same statute. A committee of public and private stakeholders met over the interim to review the statute and made recommendations to DFI for possible amendments.

Summary: Title 30 RCW is divided into two separate acts: the Washington State Commercial Banking Act codified under Title 30A and the Washington Trust Institutions Act (WTIA), codified under Title 30B.

Washington State Bank Act. Specific provisions concerning the regulation of Washington banks are amended.

Adopted Rules Notification. The provision requiring the Director of DFI (Director) to mail a copy of adopted uniform rules to a bank or trust's principal place of business is removed, relying upon the notice conferred in the APA rulemaking process.

Bank Publications. A bank is authorized to make a required publication via internet so long as such publication is in accordance to the rules adopted by the Director.

Third-Party Subpoenas. The Director or authorized assistant may issue a superior court approved subpoena to inspect an unregulated institution suspected of unauthorized banking activities.

WTIA. A new statutory model for trust institutions is established. Numerous provisions in WTIA incorporate or reference the regulations and requirements under current law. Various provisions germane to trust institutions which are currently dispersed throughout Title 30 RCW are defragmented and clarified.

Definitions. New definitions are added:

- a trust institution is a depository institution, foreign bank, or trust company;
- a trust business refers to when a person publicizes via advertisement, solicitation, or other means that this person is available to perform the powers of a state trust company; and
- a trust company is a state trust company or any other company chartered to act as a fiduciary that is not a depository institution and not a foreign bank.

Officer and Insider Loans. A state trust company may not make loans or extensions of credit and may not extend leases to any person except in relation to nonfiduciary corporate funds. Loans or extensions of credit or leases in relation to nonfiduciary funds are subject to Director approval. Loans or leases to insiders may only be made to the extent permitted for state banks under Federal Reserve Board regulations.

Choice of Law. Parties to a contract containing a choice of law clause may decide which state law governs the agreement. The governing law controls the interpretation and enforcement of the contract. If there is no such clause, Washington trust law in Title 30B RCW governs the interpretation of the trust instrument automatically.

Electronic Public Notice. Subject to the terms and conditions of the Director, any required notice from a trust institution may be provided via internet publication.

Director's Authority. The Director is authorized to regulate all the activities of a trust company that are enumerated in statute. Supervisory authority over an out-of-state trust institution is also provided to the Director. The terms of such authority are set forth in a cooperative agreement between the Director and the trust institution's home state.

Subpoena Authority. DFI may issue a superior court approved subpoena to inspect an unregulated institution suspected of unauthorized trust activity or an unregulated third-party service provider of a trust company, if relevant.

Board of Directors and Audit Committee. The duties of the Board of Directors of a state trust company, including its administration of the fiduciary powers of the state trust company are set forth in statute. An independent audit committee is established and required to audit the state trust institution at least once every calendar year.

Out-of-State Trust Institutions. An out-of-state trust institution that meets the statutory requirements regarding state trust companies is not required to but may establish and maintain a physical trust office in Washington State. Already approved out-of-state trust institutions meeting specified conditions are exempt from providing written notice to the Director of their intent to engage in trust business in Washington and may immediately engage in trust activities.

The Director may examine and investigate out-of-state trust institutions engaged in business in Washington as deemed necessary to ensure the safety and soundness of such institutions. The Director may also require periodic reports from an out-of-state trust institution.

Private Trust Companies. WTIA does not apply to a private trust or private trust company. Any private trust or private trust company seeking to convert to a trust that transacts business with the general public must first obtain a certificate of authority as a state trust company before engaging in such activity.

Savings Banks. The title "Washington Savings Bank Act" (WSBA) is established in statute. WSBA incorporates the provisions governing savings banks under Title 32 RCW. A savings bank has the same authority to engage in trust business as a state commercial bank. A savings bank is also subject to the statutory requirements for engaging in a trust business.

State Savings Associations. The title "Washington Savings Association Act" (WSAA) is created in statute. The provisions under Title 33 RCW are incorporated under WSAA. A savings association may exercise the same powers and authorities as a state commercial bank to engage in trust business in Washington.

Reorganization of Statutory Provisions. *Exemptions.* The following persons and entities are exempt from the requirement to obtain a Certificate of Authority or approval under WTIA:

- an individual, sole proprietor, or general partnership or joint venture composed of individuals;
- persons engaged in business in Washington as a national banking association or 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;
- persons acting in a manner otherwise authorized by law and within the scope of authority as an agent of a trust institution;
- persons acting as a fiduciary solely by reason of being appointed by a court to perform the duties of a trustee, guardian, conservator, or receiver;
- attorneys or limited license legal technicians who perform professional services customarily performed in a manner that is approved and authorized by the Washington State Supreme Court;
- persons acting as an escrow agent;
- persons acting as a trustee under a deed of trust delivered as security for payment;
- licensed real estate brokers receiving and distributing rents and proceeds of sale;
- licensed broker-dealers or investment advisors engaging in securities transactions or providing an investment advisory service;
- an insurance company or agent engaging in the sale and administration of an insurance product to the extent that the activity is regulated by the Office of the Insurance Commissioner;
- persons acting as a law trustee under a voting trust;
- persons acting as a trustee by a public, private, or independent institution of higher education;
- persons acting as a private trust or private trust company; or
- persons engaging in other activities expressly excluded by rule of the Director.

Trust Deposits and Common Trust Funds. Trust companies are not depositories but may take or hold deposits under limited circumstances specified under statute.

Voluntary and Involuntary Dissolution Procedures. Provisions regarding voluntary and involuntary dissolution are bifurcated in the code. Involuntary closure procedures relating specifically to trust institutions are added.

Trust Mergers. A new chapter is added regarding the merger of trust companies. Existing law under RCW 30.53 is incorporated into the new chapter and a new provision regarding the sale of a trust institution's assets is included.

Votes on Final Passage:

Senate	49	0
House	98	0

Effective: June 12, 2014.

ESSB 6137
C 213 L 14

Regulating pharmacy benefit managers and pharmacy audits.

By Senate Committee on Health Care (originally sponsored by Senators Conway, Pearson, Parlette and Keiser).

Senate Committee on Health Care
House Committee on Health Care & Wellness

Background: A Pharmacy Benefit Manager (PBM) is a third-party administrator of prescription drug programs. PBMs are often responsible for developing and maintaining the formulary, contracting with pharmacies, negotiating discounts and rebates with drug manufacturers, and processing and paying prescription drug claims. There are a number of PBMs, but two companies, Express Scripts Inc. and CVS Caremark Corporation, have the highest market share of the business.

Some states are beginning to regulate PBMs: approximately one-half dozen states require PBMs to register with or get licensed by the insurance department, and another handful of states have adopted fair audit provisions that establish requirements for auditing pharmacy services.

Summary: PBMs must register with the Department of Revenue's business licensing service and annually renew their registration in order to do business in Washington. To register, a PBM must submit an application and pay a $200 registration fee, and submit the following information: the identity of the pharmacy benefit manager; name, address, phone number, and contact person for the pharmacy benefit manager; and the tax identification number.

A PBM is defined to mean contracts with pharmacies on behalf of an insurer, a third-party payor, or the prescription drug purchasing consortium to:

- process claims for prescription drugs or medical supplies, or provide retail network management for pharmacies or pharmacists;
- pay pharmacies or pharmacists for prescription drugs or medical supplies; or
- negotiate rebates with manufacturers for prescription drugs.

A PBM does not include a health care service contractor.

Pharmacy audit standards are created for PBMs conducting on-site audits. Standards include the following: notification requirements, advance written notification of an audit, limitations on the timing of audits, limitations on the number of unique prescriptions that can be audited, audit standards that apply to all similarly situated pharmacies, and the requirement that the audit involve a licensed pharmacist if the audit involves clinical or professional judgment.

Additional requirements are outlined for the payment of outstanding claims related to the audit, accounting of fees or overpayments, and limitations on recouping costs associated with clerical errors or other errors that do not result in financial harm to the entity or the consumer. An audit must be based on identified transactions and not probability sampling, extrapolation, or other means. Contracts for entities that conduct audits must not be based on a percentage of the amount of overpayment recovered. A preliminary report of the audit must be available within 45 days after the audit is completed, and the pharmacy has 45 days to contest the report. A final report must be provided within 60 days after the preliminary report or the date the pharmacy contested the report, whichever is later. Recoupment of disputed funds must occur after the audit and any appeals procedure.

The pharmacy audit standards do not apply to a state agency conducting audits for the state medical assistance program; do not preclude an action for fraud; and do not apply when fraud or intentional and willful misrepresentation is indicated.

Reimbursement standards are created. Maximum allowable cost is the maximum amount a PBM reimburses a pharmacy for the cost of a drug; the maximum allowable costs that have been established for a list of drugs must be available to the pharmacy and updated every seven business days with all changes in the prices of drugs; requirements for the drugs on the list are outlined; the sources used to determine the maximum allowable cost pricing must be provided with the contract; and there must be a process to allow a pharmacy to appeal the reimbursement for a drug relative to the maximum allowable cost.

Votes on Final Passage:

Senate	49	0	
House	93	4	(House amended)
Senate	49	0	(Senate concurred)

Effective: June 12, 2014

SB 6141

C 170 L 14

Concerning the confidentiality of certain records filed with the utilities and transportation commission or the attorney general.

By Senators Roach, Hasegawa, Fain, Hobbs, Hatfield, Honeyford and Tom.

Senate Committee on Governmental Operations
House Committee on Government Operations & Elections

Background: Public Records Act (PRA). The PRA, enacted in 1972 as part of Initiative 276, requires that all state and local government agencies make all public records available for public inspection and copying unless certain statutory exemptions apply. Under the PRA, a public record includes any writing containing information relating to the conduct of government or the performance of any governmental or proprietary function prepared, owned, used, or retained by any state or local agency, regardless of physical form or characteristics. The provisions requiring public records disclosure must be interpreted liberally while the exemptions are interpreted narrowly to effectuate the general policy favoring disclosure.

Over 500 specific references in the PRA or other statutes remove certain information from application of the PRA, provide exceptions to the public disclosure and copying of certain information, or designate certain information as confidential.

The Utilities and Transportation Commission (UTC). The UTC is composed of three commissioners, appointed by the Governor, who serve six-year terms of office. The UTC regulates the state's transportation system as well as the rates, services, facilities, and practices of public utilities in the state, including solid waste collection companies.

Public records filed with the UTC or Attorney General by public utilities that contain valuable commercial information such as trade secrets; confidential marketing, cost, or financial information; or customer-specific usage and network configuration information are not subject to public disclosure under the PRA until notice is given to the person or persons directly affected by the information. Additionally, the person or persons directly affected by the information may request a superior court order protecting the records as confidential, thus exempting them from public disclosure, within ten days of receiving notice.

A court must determine that disclosure would result in private loss, including an unfair competitive disadvantage, before issuing an order exempting records filed with the UTC or Attorney General from public disclosure.

Accounting by Solid Waste Collection Companies. Solid waste collection companies must file annual statements with the UTC showing gross operating revenues from operations within Washington State over the previous calendar year, and pay the UTC a fee of 1 percent of gross operating revenue.

Summary: Records filed by solid waste collection companies with the UTC or Attorney General that contain valuable commercial information such as trade secrets; confidential marketing, cost, or financial information; or customer-specific usage and network configuration information are not subject to public disclosure until notice is given to the person or persons directly affected by the information. The person or persons directly affected by the information must request a superior court order protecting the records as confidential within ten days of receiving notice to exempt the records from public disclosure.

A court must determine that disclosure would result in private loss, including an unfair competitive disadvantage, before issuing an order exempting records filed with the UTC or Attorney General by a solid waste collection company from public disclosure.

Votes on Final Passage:

Senate	45	3	
House	96	2	(House amended)
Senate	49	0	(Senate concurred)

Effective: June 12, 2014

SSB 6145

C 146 L 14

Declaring the Ostrea lurida the official oyster of the state of Washington.

By Senate Committee on Governmental Operations (originally sponsored by Senators Hatfield, Roach, Chase, Sheldon, Fraser and McAuliffe).

Senate Committee on Governmental Operations
House Committee on Government Operations & Elections

Background: The state of Washington confers the official designation on various flora, fauna, performing arts, minerals, and tartan. The official fauna are designated as the orca, the official marine mammal; the Olympic marmot, the official endemic mammal; the willow goldfinch, the official bird; the steelhead trout, the official fish; and the common green darner dragonfly, the official insect.

The *Ostrea lurida*, commonly known as the Olympia oyster, is the only oyster native to Washington. Its natural habitat includes rocks in areas near the expanse of the low tide, and mudflats and gravel bars in estuaries and bays. Olympia oysters are flat oysters whose shells average 5–8 cm, or 2–3 inches, long. Olympia oysters play an important ecological role by regulating plankton blooms, decreasing the potential for Red Tide and other harmful algal blooms, and balancing nutrient input in the water.

Summary: The *Ostrea lurida*, or Olympia oyster, is declared the official oyster of the state of Washington.

Votes on Final Passage:

Senate	47	1	
House	94	4	(House amended)
Senate	48	1	(Senate concurred)

Effective: June 12, 2014

2SSB 6163

C 219 L 14

Concerning expanded learning opportunities.

By Senate Committee on Ways & Means (originally sponsored by Senators Billig, Litzow, Frockt, Dammeier, McAuliffe, Rolfes, King, Tom, Kohl-Welles and Keiser).

Senate Committee on Early Learning & K-12 Education
Senate Committee on Ways & Means
House Committee on Education
House Committee on Appropriations

Background: Research shows that many students, especially students from low-income families, experience learning losses when they do not engage in educational activities during the summer. Studies have also documented that summer learning loss is cumulative over time and widens the existing educational opportunity gap. Some studies recommend participation in expanded learning opportunities (ELOs) during the school year and summer to mitigate summer learning loss and improve student academic performance, attendance, on-time grade advancement, and classroom behaviors.

The Superintendent of Public Instruction (SPI) must convene a panel of experts to develop state menus of best practices and strategies for assisting struggling students, particularly in elementary reading. The first such menu is due July 1, 2014.

Summary: ELOs are defined as:

- culturally responsive enrichment and learning activities that may focus on an array of academic and non-academic areas;
- school-based programs that provide extended learning and enriching experiences beyond the traditional school day or calendar; and
- structured, intentional, and creative learning environments outside the traditional school day that are provided by the community-based organizations (CBOs) in partnership with schools and align in-school and out-of-school learning to complement classroom-based instruction.

An ELO Council is established to advise the Governor, the Legislature, and SPI regarding an ELO system, with particular attention to solutions to summer learning loss. The ELO Council must provide vision, guidance, and assistance related to summer learning opportunities, school-year calendar modifications to reduce summer learning loss, increasing partnerships between schools and the CBOs to deliver the ELOs, and other programs or initiatives that could contribute to a statewide ELO system.

The ELO Council must identify resources and partnership opportunities, coordinate policy development, set

quality standards, promote evidence-based strategies, develop a comprehensive action plan, and track performance of the ELOs in closing the opportunity gap. When making recommendations for evidence-based strategies, the ELO Council must consider the state best practices menus developed by SPI's expert panel.

SPI must convene the ELO Council, all of whom must have experience with the ELOs and include representation of diverse student interests and geographical locations. Up to 15 individuals may be invited to participate, with representation from specified organizations and associations. Staff support is provided by SPI. Appointees to the ELO Council must be selected by May 30, 2014, and the first meeting must be held before August 1, 2014. The first report from the Council is due December 1, 2014, and annually thereafter until 2018.

Subject to funds appropriated for this purpose, the Summer Knowledge Improvement Program (SKIP) is created. The purpose is to implement an extended school year to combat summer learning loss and provide an opportunity to evaluate the effectiveness of an extended school year in improving student achievement and closing the educational opportunity gap. State funding for each school in SKIP is equal to 20 days of instruction per student, including for pupil transportation, to be provided for three years. Eligible schools are those serving students in at least kindergarten through grade 5, where at least 75 percent of students are eligible for free and reduced-price meals. Any school district with an eligible school may submit a plan to SPI to participate in SKIP. School districts must solicit input on the design of the plan from school staff, parents, and the community, including at an open meeting. Plan components are described. SPI must review the plans and select up to ten schools, or as many schools as can be supported with appropriated funds.

If funds are appropriated for SKIP or other initiatives to reduce summer learning loss or expand the ELOs, the Council must monitor progress, serve as a resource, and oversee an evaluation of effectiveness in improving student academic progress. If funds are not appropriated, the first report from the Council, and any subsequent reports as necessary, must include recommendations for an action plan for a program to reduce summer learning loss through additional student learning days in elementary schools with low-income students. The Council may also recommend additional strategies.

Both the Council and SKIP expire August 31, 2019.

Votes on Final Passage:

Senate	47	2	
House	87	9	(House amended)
Senate	48	1	(Senate concurred)

Effective: June 12, 2014

SB 6180

C 137 L 14

Consolidating designated forest lands and open space timber lands for ease of administration.

By Senators Braun, Holmquist Newbry, Padden, Sheldon, Brown, Schoesler, Rivers and Parlette.

Senate Committee on Natural Resources & Parks
Senate Committee on Ways & Means
House Committee on Agriculture & Natural Resources
House Committee on Finance

Background: All property is subject to property tax each year based on the property's market value unless a specific exemption is provided by law. The state Constitution authorizes agricultural, timber, and open space lands to be valued on the basis of their current use rather than fair market value. The Legislature enacted the designated forest land program and the open space program under this constitutional authority.

Forest Land Program. To qualify for current use valuation under the designated forest land program, lands must total 20 or more acres used primarily for growing and harvesting timber. Limited incidental activities are allowed along with timber-related buildings, machinery, and other personal property. The application for forest land designation is processed by the assessor, who may require submission of a timber management plan at that time.

The valuation of designated forest land is set by statute, and updated annually by the Department of Revenue based on the value of the bare land for growing and harvesting timber. The value of standing timber is exempt from property tax and harvested timber is instead subject to a separate excise tax.

Upon removal from this designation, the land must be revalued to fair market value as of January 1 of the year of removal. In general, land that is removed is subject to a compensating tax equal to the tax benefit received in the most recent year multiplied by the number of years the land was designated, not to exceed nine.

Open Space Program. The open space program includes three different classifications: farm and agricultural land; timber land – open space timber; and open space land.

To qualify for current use valuation under the open space timber program, lands must total five or more acres used primarily for growing and harvesting timber for commercial purposes. As with designated forest land, limited incidental activities and timber-related buildings and personal property are allowed. An owner desiring current use classification under the open space timber program must apply to the county legislative authority. The elements of the application constitute a timber management plan under the statute.

Open space timber land is valued in the same manner as designated forest lands. In general, land classified under the open space programs must remain under the pro-

gram for at least ten years following initial classification. Additionally, an owner must notify the assessor two years prior to having the land withdrawn. A withdrawal generally triggers the requirement to pay an additional tax equal to the difference between the tax paid based on current use and the tax that would have otherwise been paid over the last seven years.

Summary: A county legislative authority may, at its option, merge the county's open space timber program into its designated forest land program by ordinance. Upon merger of the programs, any land classified as open space timber is deemed designated forest land. Additionally, the date that property was classified as open space timber before the merger is considered to be the date of designation under the forest land program. The county must notify open space timber landowners of the merger, as well as the Department of Revenue.

The removal of land from an open space timber land program as a result of a merger does not trigger the requirement to pay additional tax. If an owner of open space timber land provided notice of withdrawal prior to merger, the land is removed as designated forest land once the two-year notice period has been completed.

The minimum size requirement for land to be designated as forest land is reduced from 20 acres to five acres, which applies generally to the designated forest land program regardless of whether a county merges the two programs. An assessor may require a timber management plan if the assessor has reason to believe that forest land of less than 20 acres is no longer being used for forest land purposes.

Corresponding changes are made to several statutes, as are a number of technical changes.

Votes on Final Passage:

Senate	35	13
House	98	0

Effective: June 12, 2014

SSB 6199

C 90 L 14

Addressing wildfires caused by incendiary devices.

By Senate Committee on Natural Resources & Parks (originally sponsored by Senators Braun and Hargrove).

Senate Committee on Natural Resources & Parks
House Committee on Agriculture & Natural Resources

Background: Current law prohibits a person from throwing away any lit material or discharging tracer or incendiary ammunition in a forest, brush, range, or grain area during the closed season. The statute specifically includes cigarettes, matches, and fireworks as examples of lit materials. The term closed season means the period between April 15 and October 15, unless the Department of Natural Resources (DNR) establishes different dates because of fire conditions. A violation of this prohibition is punishable as a misdemeanor.

Also, it is a gross misdemeanor to knowingly cause a fire or explosion in a way that places forest lands in danger of damage.

Summary: In addition to the current prohibitions on actions in a forest, brush, range, or grain area during the closed season, it is generally unlawful to release a sky lantern or detonate an exploding target. However, a person may use a nonflammable exploding target if they have either lawful possession and control of the land or written permission for the activity.

At other times of the year, a person is generally prohibited from discharging incendiary ammunition, releasing a sky lantern, or detonating an exploding target in a forest, brush, range, or grain area unless the person has either lawful possession and control of the land or written permission for the activity.

Violations of these prohibitions remain punishable as a misdemeanor.

Several terms are defined:

- Exploding target means a device designed or marketed to ignite or explode when struck by firearm ammunition or other projectiles.
- Incendiary ammunition means ammunition designed to ignite or explode on impact, or trace its course with a trail of smoke, chemical incandescence, or fire.
- Sky lantern means an unmanned luminary device that uses heated air to remain airborne.

Votes on Final Passage:

Senate	47	0	
House	98	0	(House amended)
Senate	49	0	(Senate concurred)

Effective: June 12, 2014

SB 6201

C 91 L 14

Creating an optional life annuity benefit for plan 2 members of the law enforcement officers' and firefighters' retirement system.

By Senators Hasegawa, Kohl-Welles, Chase and Conway; by request of LEOFF Plan 2 Retirement Board.

Senate Committee on Ways & Means
House Committee on Appropriations

Background: Members of Plan 2 of the Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF 2) are eligible for a retirement allowance at age 53 that is equal to 2 percent times the member's years of service times the member's average final compensation. Members of LEOFF 2, the Teachers Retirement System (TRS), Public Employees Retirement System (PERS), School Employees Retirement System (SERS), and Public

Safety Employees Retirement System (PSERS) may add up to five years of service credit for the calculation of their retirement allowance by paying the actuarial equivalent value of the increase in the member's benefit. Subject to rules adopted by the Department of Retirement Systems (DRS), the payment can be made with a lump sum payment, with an eligible or direct rollover, or a trustee-to-trustee transfer from an eligible retirement plan.

Many members of LEOFF 2, TRS, PERS, SERS, and PSERS also participate in employer-sponsored tax-deferred savings plans established under sections 401(a), 403(b), and 457 of the federal Internal Revenue Code. Members of Plan 3 of TRS, PERS, and SERS may convert some or all of the funds in their member accounts to a life annuity administered by DRS.

Summary: Members of LEOFF 2 may purchase an optional actuarially equivalent life annuity from the LEOFF 2 fund with a minimum payment of $25,000. The payment may be made through an eligible or direct rollover, or trustee-to-trustee transfer from a tax-qualified plan offered by a governmental employer.

DRS must adopt rules regarding eligible rollovers and transfers to ensure they comply with federal requirements and that the rollovers and transfers are conditioned on the receipt of information needed by DRS to determine their eligibility for tax-free treatment under federal tax law.

Votes on Final Passage:

Senate	47	0
House	94	0

Effective: June 12, 2014

SB 6208

C 67 L 14

Preserving the integrity of veterans' benefit-related services.

By Senators Hill, Conway, Braun, Hobbs, Kohl-Welles, Chase and Benton; by request of Attorney General.

Senate Committee on Commerce & Labor
House Committee on Community Development, Housing & Tribal Affairs

Background: The federal government provides military veterans with a variety of federal benefits, including disability compensation, education and training, employment services, health care, home loans, life insurance, and pensions. The federal Department of Veterans Affairs (VA) administers many of these benefit programs, and provides resources for veterans to access and obtain these benefits.

Federal law prohibits anyone from representing a veteran in preparing, presenting, or prosecuting a claim for veteran benefits unless the person is accredited by the VA. Accreditation may not be used for marketing financial services. A person or organization cannot charge a fee for assisting a veteran in preparing applications or presenting claims to the VA. Only accredited attorneys or agents may charge fees for assisting a veteran prosecuting a claim after a decision has been made on the claim. Any fee agreement must be filed with the VA.

The Washington State Department of Veterans Affairs (WVA) administers veterans' benefits provided by the state. Some of these benefit programs include the veterans assistance program, veterans innovations program, the state veterans homes, homeless veterans services and transitional housing, home loans, and home ownership.

The Consumer Protection Act (CPA) prohibits unfair methods of competition and unfair or deceptive acts or practices in the conduct of trade or commerce in Washington. The CPA allows a person injured by a violation of the act to bring a private cause of action for damages. The Attorney General may investigate and prosecute claims under the CPA on behalf of the state or individuals in the state.

Summary: Veterans benefit matter is defined as any preparation, presentation, or prosecution of a claim affecting a person who files or intends to file an application for a determination of entitlement to payment, service, commodity, function, or status which is determined under the laws of the VA or WVA.

Under the Pension Poacher Prevention Act, a person may not:

1. use financial or other personal information gathered to prepare documents for or while representing the interests of another in a veterans' benefit matter for the purposes of trade or commerce;
2. represent that the receipt of a certain level of veterans' benefits is guaranteed; or
3. receive compensation for:
   a. advising or assisting another person with a veterans' benefit matter, except when permitted under federal law; or
   b. referring another person to a person accredited by the VA.

A person must not advertise or promote an event, presentation, seminar, workshop, or other public gathering relating to veterans' benefits or entitlements without disseminating in writing and orally the following disclosure:

"This event is not sponsored by, or affiliated with, the United States Department of Veterans Affairs, the Washington State Department of Veterans Affairs, or any other congressionally chartered or recognized organization of honorably discharged members of the Armed Forces of the United States or any of their auxiliaries. Products or services that may be discussed at this event are not necessarily endorsed by those organizations. You may qualify for benefits other than or in addition to the benefits discussed at this event."

The disclosure is not required when the VA, WVA, or any other congressionally chartered or recognized organi-

zation of honorably discharged members of the armed forces of the United States or any of their auxiliaries have granted written permission to the advertiser or promoter for the use of its name, symbol, or insignia. The disclaimer requirements do not apply to continuing legal education courses for veterans' benefits.

The Act does not apply to officers, employees, or volunteers of the state, county, city, any other political subdivision, or a federal agency of the United States who are acting within their official capacity.

A violation of this Act is an unfair or deceptive act in trade or commerce and an unfair method of competition under the CPA.

Votes on Final Passage:

Senate	48	0	
House	97	1	(House amended)
Senate	49	0	(Senate concurred)

Effective: June 12, 2014

SSB 6216

C 51 L 14

Allowing certain counties to assume the administrative duties of a county ferry district.

By Senate Committee on Transportation (originally sponsored by Senators Eide and King).

Senate Committee on Transportation
House Committee on Transportation

Background: Counties are authorized to operate ferry systems under the direct control of the county legislative authority. In lieu of the county operating a ferry system, the county legislative authority may adopt an ordinance creating a county ferry district (CFD) in all or a portion of the area of the county. The members of the county legislative authority compose the governing body of a CFD created in their county. Currently there is one CFD, in King County.

A CFD may construct, purchase, operate, and maintain passenger-only ferries within or bordering the CFD, or between two CFDs, together with the necessary boats, grounds, roads, approaches, and landings. A CFD may provide services for free or may charge a toll. A CFD is considered an independent taxing authority and may levy a value-based tax on all taxable property located within the district not to exceed $0.75 per $1,000 of assessed value, except that a district located in a county with a population of 1.5 million or more may not levy at a rate that exceeds $0.075 per $1,000 of assessed value. A district may also impose excess property levies for a one-year period to be used for operating or capital purposes whenever authorized by the electors of the district. Revenue from the tax may only be used for providing ferry services or directly related activities such as shuttle bus services. A district may incur general indebtedness and issue general obligation bonds.

King County is currently the only county with a population exceeding 1 million and the only county that has formed a county ferry district.

Summary: Any county with a population of 1 million or more may assume the rights, powers, functions, and obligations of a CFD with boundaries coterminous with the boundaries of the county. The county legislative authority may initiate county assumption of the rights, powers, functions, and obligations of a CFD by adopting an ordinance or resolution indicating its intent to conduct a hearing on the matter. The county must hear all protests and objections to assuming the functions of a CFD at a public hearing. If after the public hearing, the county legislative authority finds that the public interest would be satisfied, it may declare so and assume the role and obligations of a CFD. Subsequently, all rights, powers, functions, existing contracts, and obligations granted to or possessed by the CFD vest to the county, and the governing body of the CFD must be abolished. All future actions must be taken in the name of the county and the title to all property vests to the county.

The county assumes the CFD powers to finance a passenger-only ferry system. The county legislative authority must act in the same manner as the governing body of the CFD for the purpose of certifying the amount of any property tax to be levied and collected. A value-based property tax levied by a county must be treated as a levy by a CFD for all purposes. The county must assume and agree to provide for the payment of all of the CFD's debts and obligations, including payment and retirement of outstanding general obligation and revenue bonds.

Votes on Final Passage:

Senate	46	3
House	94	0

Effective: June 12, 2014

SB 6219

C 205 L 14

Concerning actions for damage arising from vehicular traffic on a primitive road.

By Senators Dansel, Sheldon, Hatfield and Hobbs.

Senate Committee on Law & Justice
House Committee on Judiciary

Background: County roads may be designated as primitive roads where the roads:

- are not part of the county's primary road system;
- are composed of a gravel or earth surface; and
- have an average daily traffic volume of 100 or fewer vehicles.

Warning signs designating a primitive road must be placed where a highway connects with a primitive road.

The Board of County Commissioners may limit or prohibit classes of vehicles on any county road.

State law prohibits consideration of the road design, road location, and signage or lack of signage other than required warning signs, in any legal action against a county or county employee for damages arising from vehicle traffic on primitive roads.

Summary: Discretionary maintenance may not be considered in any legal action against a county for damages arising from vehicle traffic on primitive roads.

Votes on Final Passage:

Senate	48	0
House	97	0

Effective: June 12, 2014

SSB 6226

C 92 L 14

Concerning sales by craft and general licensed distilleries of spirits for off-premise consumption and spirits samples for on-premise consumption.

By Senate Committee on Commerce & Labor (originally sponsored by Senators Holmquist Newbry, King, Conway, Hewitt and Kohl-Welles).

Senate Committee on Commerce & Labor
House Committee on Government Accountability & Oversight

Background: A distiller must pay a license fee of $2,000 per year unless the distiller qualifies for a lesser fee specified in statute. A distiller producing 60,000 gallons of spirits or less, with at least half of the raw materials used in production grown in Washington, must pay a license fee of $100 per year.

A craft distillery is limited to selling up to three liters of spirits of its own production per person per day for off-premises consumption. A craft distillery is permitted to provide one-half ounce or less free samples totaling no more than two ounces on distillery premises.

There are exceptions to the prohibition against advancing monies under the three-tier system.

Special occasion licensees serving beer or wine are permitted to pay for the beer or wine immediately after the event. Wineries and breweries are also permitted to pay reasonable booth fees to the special occasion licensee.

Summary: A distiller producing 150,000 gallons of spirits or less with at least half of the raw materials used in production grown in Washington must pay a license fee of $100 per year.

A craft distillery is no longer limited to selling up to three liters of spirits per person per day of its own product for off-premises consumption. In addition to providing free samples, a craft distillery may serve one-half ounce samples of its own product for a charge.

A distillery or craft distillery may sell spirits it produces for consumption off the premises and must comply with retailer-related laws. A distillery or craft distillery may contract distill spirits for and sell contract distilled spirits to holders of distillers' or manufacturers' licenses. One-half ounce or smaller samples may be provided free or for a charge. The maximum amount of samples that can be served is a total of two ounces. It is clarified that servers must have a class 12 alcohol server permit.

Special occasion licensees may also pay for spirits immediately after the event. Distilleries participating in a special occasion event may also pay a reasonable booth fee to the special occasion licensee.

Votes on Final Passage:

Senate	41	6
House	93	1

Effective: June 12, 2014

ESSB 6228

PARTIAL VETO

C 224 L 14

Concerning transparency tools for consumer information on health care cost and quality.

By Senate Committee on Health Care (originally sponsored by Senators Mullet, Tom, Keiser, Frockt, Parlette, Hatfield, Cleveland, Fain, Becker, Ericksen, Rolfes and Pedersen).

Senate Committee on Health Care
House Committee on Health Care & Wellness
House Committee on Appropriations

Background: Some consumers have experienced difficulty getting an estimate for health care costs in advance of receiving services that is valuable in calculating possible out-of-pocket expenses or comparing choices of health care providers or facilities. Information on charges for common services is becoming more available; however, the data displaying charges does not incorporate the insurance coverage a consumer may have.

To assist with transparency, the Washington State Hospital Association developed a hospital database with information on charges and utilization for each hospital and common procedures. The database is searchable and allows comparisons of facilities. In 2013 the Centers for Medicare and Medicaid Services (CMS) released data that displays hospital average charges for the 100 most common Medicare claims, and in January 2014, CMS released data on provider charges for 30 common outpatient services.

The Washington Health Alliance, formerly the Puget Sound Health Alliance, has been working to produce health care data on cost and quality that will help inform purchasers. The most recent release of their report entitled

Community Checkup provided data on quality of care and county-level results for the entire state.

Summary: Health insurance carriers offering benefit plans on or after January 1, 2016, must offer member transparency tools with certain price and quality information to enable the member to make treatment decisions based on cost, quality, and patient experience.

The transparency tools must aim for best practices and include the following:

- a display of cost data for common treatments for the following categories: in-patient treatments, outpatient treatments, diagnostic tests, and office visits;
- a display of the cost for prescription medications on the member website or through a link to the third party that manages the prescription benefits is encouraged;
- a patient review option or method for members to provide a rating or feedback on their experience with the medical provider;
- an option to allow people to access the estimated costs on a portable electronic device;
- a display of the estimated cost of the treatment and the estimated out-of-pocket costs for the member, with a display of personalized benefits such as the deductible and cost sharing;
- a display of quality information on providers when available; and
- a display of alternatives that are more cost effective when there are alternatives available, such as using an ambulatory surgical center, is encouraged.

The operating integrated care delivery systems of health insurance carriers, licensed as health maintenance organizations, may display meaningful consumer data based on the total cost of care or episode of care. The patient review option that allows feedback on the experience with the medical provider must be monitored for appropriateness and validity, and the site may include independently compiled quality of care ratings of providers and facilities.

The member transparency tools must include information to allow a provider search of in-network providers, with additional information including the following: specialists; distance from the patient; the provider's contact information; the provider's education, board certification, and other credentials; where to find malpractice history and disciplinary actions; affiliated hospitals and other providers in a clinic; and directions to provider offices and hospitals.

Each carrier must provide enrollees with the performance information required by the Affordable Care Act and the related regulations.

The Performance Measure Committee is created to recommend health performance measures and propose benchmarks to track costs and improvements in health outcomes. State agencies must use the measure set to inform and set benchmarks for purchasing decisions. Members of the committee include representation from state agencies, employers, health plans, patient groups, consumers, academic experts on health care measurement, hospitals, physicians, and other providers. The Governor makes the appointments, except the associations representing hospitals and physicians may appoint their members. The committee is chaired by the director of the Health Care Authority.

Votes on Final Passage:

Senate	46	0	
House	91	6	(House amended)
Senate	49	0	(Senate concurred)

Effective: June 12, 2014

Partial Veto Summary: The Performance Measure Committee created to recommend health performance measures and propose benchmarks to track costs and improvements in health outcomes was vetoed since nearly identical language was included in another bill (HB 2572).

VETO MESSAGE ON ESSB 6228

April 4, 2014

To the Honorable President and Members,
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to Section 2, Engrossed Substitute Senate Bill No. 6228 entitled:

"AN ACT Relating to transparency tools for consumer information on health care cost and quality."

This bill requires that by 2016 health insurance carriers offer their members a host of good on-line tools with certain health care price and quality information. It complements my requested innovative health care purchasing bill, HB 2572. Together, I hope these bills help to transform the marketplace to make health care more affordable for Washingtonians.

Section 2 is an amendment to the original bill that includes nearly identical language as a section in HB 2572. This creates an unnecessary duplication in the law. In addition, the section in HB 2572 includes language that corresponds to the other health care purchasing innovations, so it is preferable to keep that language.

For these reasons I have vetoed Section 2 of Engrossed Substitute Senate Bill No. 6228.

With the exception of Section 2, Engrossed Substitute Senate Bill No. 6228 is approved.

Respectfully submitted,

Jay Inslee
Governor

ESSB 6242
C 171 L 14

Concerning waivers from the one hundred eighty-day school year requirement.

By Senate Committee on Early Learning & K-12 Education (originally sponsored by Senators King, Rolfes, Litzow, Billig, Fain, Chase and McAuliffe).

Senate Committee on Early Learning & K-12 Education
House Committee on Education

Background: In 2009 the Legislature created a pilot program authorizing the State Board of Education (SBE) to grant waivers from the 180-day school year calendar to enable small school districts to operate on a flexible school calendar. The school districts are still required to meet the minimum number of instructional hours required by law. The waivers are limited to two waivers for small school districts with fewer than 150 students and three waivers for school districts with 151–500 students. The waivers may be granted for up to three years. After each school year SBE must determine whether the flexible calendar is adversely affecting student learning. If SBE determines that student learning is adversely affected then the school district must discontinue the flexible calendar. The Bickleton and Patterson school districts have implemented a four-day school week using these waivers since January 2010. The pilot program will end August 31, 2014.

The 2009 legislation also required SBE to recommend whether the waiver program should be continued, modified, or allowed to end. At the November 2013 SBE meeting, SBE recommended that the waivers be allowed to continue for an interim period.

Summary: SBE's authority to grant certain small school districts a waiver to the 180-school day to operate on a flexible school calendar is continued through August 31, 2017. The waivers remain limited to two districts with fewer than 150 students and three districts with 150–500 students. In addition to other waiver application requirements, districts must explain the impact of the waiver on employees in education support positions. Terminology is modified addressing the requirement that school districts which obtain the waivers must continue to provide the minimum instructional hour offerings but the requirement is maintained. The requirement that SBE provide a report to the Legislature regarding the waivers is removed.

Votes on Final Passage:

Senate	48	0	
House	86	9	(House amended)
Senate	49	0	(Senate concurred)

Effective: June 12, 2014

ESSB 6265

PARTIAL VETO
C 220 L 14

Concerning state and local agencies that obtain patient health care information.

By Senate Committee on Health Care (originally sponsored by Senators Frockt, Rivers, Conway, Becker, Kohl-Welles, Bailey, Cleveland, Ranker, Keiser and Tom).

Senate Committee on Health Care
House Committee on Health Care & Wellness

Background: The Health Insurance Portability and Accountability Act of 1996 (HIPAA) establishes nationwide standards for the use, disclosure, storage, and transfer of protected health information. Entities covered by HIPAA must have a patient's authorization to use or disclose health care information unless there is a specific exemption. Some exemptions pertain to disclosures for treatment, payment, and health care operations; public health activities; judicial proceedings; law enforcement purposes; and research purposes. HIPAA allows a state to establish standards that are more stringent than its provisions. Covered entities include health plans, health care providers, and health care clearinghouses.

In Washington, the Uniform Health Care Information Act (UHCIA) governs the disclosure of health care information by health care providers and their agents or employees. UHCIA provides that a health care provider may not disclose health care information about a patient unless there is a statutory exception or a written authorization by the patient. Some exceptions include disclosures for the provision of health care; quality improvement, legal, actuarial, and administrative services; research purposes; directory information; public health and law enforcement activities as required by law; and judicial proceedings.

The Comprehensive Hospital Abstract Reporting System (CHARS) provides hospital patient discharge information to public health personnel, consumers, purchasers, payers, providers, and researchers to help make informed decisions on health care. CHARS contains coded hospital inpatient discharge information, derived from billing systems, available from 1987 to 2012. Coded hospital-based observation stay data is available from 2008 forward. For example, the Department of Health (DOH) uses CHARS data to identify and analyze health trends related to hospitalizations and to identify and quantify issues related to health care access, quality, and cost containment.

The nonconfidential CHARS data file does not contain direct patient identifiers, defined as information that identifies a patient or, in other words, information that is readily associated with a person's identity and exempt from disclosure under the Public Records Act. The nonconfidential CHARS data file does include indirect identifiers, defined as information that may identify a patient when combined with other information, such as the patient's age, sex, zip code, billed charges, and diagnostic or procedure codes.

The Affordable Care Act requires marketplaces such as the Washington Health Benefit Exchange (Exchange) to establish a navigator program to help consumers understand new coverage options and find the most affordable coverage that meets their health care needs. Navigators must be certified by the Exchange after successfully passing a certification exam and must sign confidentiality and nondisclosure agreements and agree to comply with a code of ethics that requires them to maintain their duty to the consumer.

Summary: State and local agencies that inadvertently obtain health care information must not use or disclose this information. Agencies that receive such information must destroy it in accordance with agency policy. If the health care information has been disclosed to a third party, the state or local agency must notify the person whose information has been disclosed of the disclosure.

DOH must maintain confidentiality of CHARS data and this data is excluded from public inspection. DOH may release CHARS data as follows:

1. data with both direct and indirect patient identifiers may be released to:
   a. federal, state, and local government agencies upon receipt of a signed data use agreement; and
   b. researchers approved by the Washington State Institutional Review Board upon receipt of a signed confidentiality agreement;
2. data without direct patient identifiers but with possible indirect patient identifiers may be released to agencies, researchers, and other persons upon receipt of a signed data use agreement; and
3. data without direct or indirect patient identifiers may be released on request.

Recipients of CHARS data with either direct or indirect identifiers must agree in a written data use agreement to take steps to protect direct and indirect patient-identifying information as described in the agreement, and not redisclose the data except as authorized in their agreement. Recipients of CHARS data without direct identifiers are prohibited from attempting to identify persons whose information is included in the data set or using the data in any manner that identifies individuals or their families. DOH must consider national standards when adopting rules necessary to implement the new confidentiality standards.

Navigators who are certified by the Exchange may only request health care information that is relevant to the specific assessment and recommendation of health plan options. Information received by navigators may not be disclosed to third parties. If a disclosure occurs, the navigator must notify the person of the breach. The Exchange must develop a policy to establish a reasonable notification period and include this policy on its website.

A series of changes to UHCIA are made, including the following: clarifying the term information and records related to mental health services to include mental health information contained in a medical bill, registration records, and all records about the person that are maintained by the Department of Social and Health Services, regional support networks, and treatment facilities; and making the exceptions to the right of a patient to receive an accounting of disclosure of health care information relating to mental health treatment information the same as the exceptions for general health care information.

Votes on Final Passage:

Senate	47	0	
House	67	30	(House amended)
House	65	33	(House receded/amended)
Senate	48	0	(Senate concurred)

Effective: April 4, 2014 (Section 8)
July 1, 2014 (Sections 1-7 and 9-16)

Partial Veto Summary: The provision permitting third-party payors to release health care information disclosed under the UHCIA if permitted by that Act was vetoed. Consequently, current law limiting those disclosures to those made by health care providers under the UHCIA is reinstated.

VETO MESSAGE ON ESSB 6265

April 4, 2014

To the Honorable President and Members,
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to Section 16, Engrossed Substitute Senate Bill No. 6265 entitled:

"AN ACT Relating to state and local agencies that obtain patient health care information."

This bill is the result of a multi-year effort by stakeholders and legislators to consolidate and strengthen patient privacy protections and standards. It includes a Department of Health request bill for hospital data that are important for research and health improvement.

The measure establishes protocols for entities not covered by the Health Insurance Portability and Accountability Act -- popularly known as HIPAA -- if they inadvertently receive patient health information and prohibits them from disclosing the information. Among a number of provisions, the measure provides exceptions to the right of a patient to receive an accounting of all disclosures of information and records related to mental health that are the same as the exceptions for general health care information.

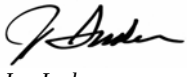
However, I am vetoing Section 16 due to an error that would create an ambiguity in law concerning how third-party payors share health care data necessary to process claim payments. The intent of the Legislature was clearly to apply the same exception process for third-party payors as is available under chapter 70.02 RCW for health care providers, but Section 16 inadvertently deletes "health care providers," which is a critical cross-reference term to apply the exception. The ambiguity could be disruptive for many self-insured employers and their third-party payors.

I am grateful to Sen. Frockt and Rep. Cody for their outstanding work on this bill.

For these reasons I have vetoed Section 16 of Engrossed Substitute Senate Bill No. 6265.

With the exception of Section 16, Engrossed Substitute Senate Bill No. 6265 is approved.

Respectfully submitted,



Jay Inslee
Governor

ESSB 6272
C 214 L 14

Concerning manufacturer and new motor vehicle dealer franchise agreements.

By Senate Committee on Commerce & Labor (originally sponsored by Senators Hewitt, Conway, Holmquist Newbry, King, Fain, Hobbs, Hasegawa, Cleveland, Rolfes, Hill, Rivers, Dammeier, Keiser, Kohl-Welles and Angel).

Senate Committee on Commerce & Labor
House Committee on Business & Financial Services

Background: The Legislature has recognized that the distribution and sale of motor vehicles vitally affect the economy of the state and that the maintenance of fair competition among dealers is in the public interest. The Legislature has also recognized that there is a substantial disparity in bargaining power between automobile manufacturers and their dealers. As a result it is necessary to regulate the relationship between manufacturers and dealers doing business in the state, fairly and efficiently.

The director of the Department of Licensing (DOL) may deny a vehicle dealer license if the application is a subterfuge concealing the real person in interest whose license is not in good standing or the director finds that the application was not filed in good faith.

A good cause standard is set in statute for a manufacturer to terminate a franchise agreement. This can be a failure of the new motor vehicle dealer to comply with reasonable performance standards determined by the manufacturer in accordance with uniformly applied criteria and other stated factors. Failure to substantially comply with manufacturer's performance standards not due to economic factors beyond the dealers control is one such factor.

The manufacturer's obligation to pay certain costs to the dealer upon termination or nonrenewal of a franchise are listed in statute. These must be paid within 90 days after termination if the dealer has clear title to the property.

Manufacturers must specify the dealer's obligation to do warranty work on the manufacturer's products, and provide a schedule of compensation to be paid to the dealer. The manner by which a dealer must establish rates for warranty service, including the average percentage markup, requires documentation, is described in statute, and must be submitted to the manufacturer. A manufacturer cannot require a dealer to use another methodology to establish average percentage markup. A manufacturer must compensate a dealer for labor and diagnostic work at the same rates charged by the dealer to retail customers. The manufacturer has the right to audit claims for warranty work and to charge the dealer for incorrect claims for one year following payment.

Manufacturers cannot discriminate between new motor vehicle dealers in pricing or allocation of vehicles, parts, or accessories. Manufacturers cannot terminate a franchise with a dealer without good cause. A manufacturer cannot require a dealer to make modifications to a dealership facility it does not require of other dealers.

Summary: The director of DOL may deny a vehicle dealer license if the issuance of a new license would cause a manufacturer to be in violation of state law regarding manufacturers and dealers franchise agreements.

New definitions are provided for completed vehicle, dealer management computer system, dealer management computer system vendor, final-stage manufacturer, incomplete vehicle, and security breach.

If a dealer claims insufficient allocation, a manufacturer does not have good cause for termination of a franchise unless the manufacturer provided a dealer with sufficient inventory of vehicles to meet performance standards, and the manufacturer provides documentation to the dealer sufficient to develop a market analysis. The dealer cannot share information provided from the manufacturer regarding allocations with any other party who is not involved in the termination proceeding.

Costs payable to the dealer upon the termination of the franchise must be paid within 90 days after termination or on the date of delivery of the assets to the manufacturer, whichever is earlier. Costs must be paid by the manufacturer to the dealer for manufacturer-required relocation or remodeling of a dealer's facilities for the granting of a franchise, if completed within three years of the termination.

The kinds of work which cannot be included in calculating the retail rate customarily charged by the dealer for parts and labor, are described. The manufacturer must pay the cost of additional documentation it requires of the dealer to verify work, but is not required to compensate a dealer more than once for the same documentation. Claims for warranty work must be submitted to the manufacturer within 90 days. The manufacturer may audit warranty work claims for nine months following payment.

A manufacturer cannot compete with a dealer of any make or line by acting as a dealer or owning a dealership with some exceptions. A new exception is if they are a final stage manufacturer or a manufacturer that held a dealer license on January 1, 2014, selling new vehicles of that manufacturer's makes or line, not sold new by a licensed independent franchise. A manufacturer can also contract for financing, leasing, and servicing its own makes and lines of vehicles.

A manufacturer cannot require a dealer to relocate or remodel its facilities more than once every ten years unless it is to comply with health or safety laws or to comply with technology requirements.

A manufacturer cannot prevent a dealer from purchasing like kind materials from a vendor the dealer chooses if the goods are to be supplied by a vendor designated by the manufacturer. Dealers do not gain additional intellectual property rights nor are they permitted to erect signs not in conformance with manufacturer guidelines.

A manufacturer cannot require a dealer to accept services, parts, or accessories the dealer has not ordered without the right to return them unused for a full refund.

Dealers are not required to provide to manufacturers direct access to their computer system, but may choose to provide information through other means.

Manufacturers are liable for any computer system data breach caused by the manufacturer. Dealer management computer system vendors are liable for any computer system data breach caused by the dealer management computer system vendors.

Provisions in this act apply to franchises and contracts between manufacturers and new motor vehicle dealers in existence on or after the effective date of this act. An agreement entered into after the effective date of this act is considered an amendment to an existing franchise.

Votes on Final Passage:

Senate	47	0
House	94	2

Effective: June 12, 2014

SSB 6273

C 206 L 14

Revising provisions governing money transmitters.

By Senate Committee on Financial Institutions, Housing & Insurance (originally sponsored by Senators Hobbs, Benton and Mullet).

Senate Committee on Financial Institutions, Housing & Insurance
House Committee on Business & Financial Services

Background: The Department of Financial Institutions (DFI) regulates money transmission under the Uniform Money Services Act (Act), chapter 19.230 RCW.

A person may not engage in the business of money transmission, or advertise, solicit, or hold itself out as providing money transmission unless the person is duly licensed by DFI as a money transmitter or is an authorized delegate of a person licensed as a money transmitter.

Money transmission is the receipt of money for the purpose of transmitting or delivering the money to another location, whether inside or outside the United States. The transmission or delivery of the money can take place by any means, including wire, facsimile, or electronic transfer.

Every money transmitter must transfer all money received from a customer for transmission, to the person designated by the customer within ten business days after receiving the money, unless otherwise ordered by the customer or unless the licensee has reason to believe a crime occurred, is occurring, or may occur as a result of transmitting the money.

Summary: A money transmitter licensee that accepts money or its equivalent from consumers purchasing goods or services from third-party merchants and transmits the money or its equivalent to those merchants selling the goods or services to the customer must (1) transmit the money or its equivalent to the merchant within the timeframe agreed upon in the merchant's agreement with the money transmitter licensee; and (2) conspicuously disclose to the merchant in the agreement the money transmitter's authority to place a hold or delay in transmittal of consumer money or its equivalent for more than ten business days and the general circumstances under which the merchant may be subject to a hold or delay.

Votes on Final Passage:

Senate	47	0
House	96	0

Effective: June 12, 2014

SSB 6279

C 93 L 14

Creating effective and timely access to magistrates for purposes of reviewing search warrant applications.

By Senate Committee on Law & Justice (originally sponsored by Senators Kline, Padden, O'Ban, Pedersen and Tom).

Senate Committee on Law & Justice
House Committee on Judiciary

Background: As a general rule, a search or seizure may be conducted by law enforcement only pursuant to a warrant that is based upon probable cause and issued by a detached and neutral magistrate. While there are some exceptions to the warrant requirement, those exceptions are narrow. Recent court decisions issued by the Supreme Court of the United States and the Supreme Court of Washington require law enforcement to obtain review of a neutral and detached magistrate more frequently before proceeding with a criminal investigation. In Washington justices of the Supreme Court, judges of the Court of Appeals, superior court judges, district court judges, and municipal court judges qualify as magistrates. Magistrates with statewide jurisdiction may issue a warrant to be executed anywhere in the state. The warrant issuing authority of a district court or municipal court magistrate is limited to warrants that will be executed within the district or municipal court's jurisdiction.

The requirements and procedures for obtaining a search warrant are set forth in court rules. A peace officer or prosecuting attorney may request that a search warrant be issued. A search warrant may be issued only when the magistrate is satisfied that there is probable cause for the issuance of the warrant. When the magistrate is satisfied that probable cause exists, the magistrate must issue a warrant identifying the property or person to be seized and the place to be searched. The magistrate may sign the warrant

in person or direct an authorized individual to affix the magistrate's name to the warrant.

In order to determine whether probable cause exists, the applicant must provide a statement under oath establishing the grounds for the warrant. This statement may be in the form of an affidavit, sworn oral testimony which may be delivered telephonically and electronically recorded, or through a certification or declaration. Affidavits and sworn testimony are statements made under oath that place the affiant under penalty of perjury. In order for an unsworn certification or declaration to support a warrant application, it must meet the statutory requirements that give unsworn statements the force and effect of sworn statements. These requirements are that the certification or declaration is in the form of a writing that (1) recites that the statement is certified or declared to be true under penalty of perjury; (2) states the date and place of its execution; (3) states that it is so certified or declared under the laws of the state of Washington; and (4) is subscribed to by signature.

Summary: Any district or municipal court judge in the county in which the offense is alleged to have occurred may issue a search warrant for a person or evidence located anywhere in the state.

Application for a warrant may be transmitted to a magistrate by telephone, email, or any other reliable method. The magistrate may communicate permission to affix the magistrate's signature to the warrant by telephone, email, or any other reliable method.

If the application for a search warrant is made through unsworn certification or declaration, a person may subscribe to an unsworn statement by signing the document or attaching a digital signature or electronic signature. If the person is an attorney, the person may subscribe electronically in the manner described in the court rule governing electronic filing. If the person is a law enforcement officer, the subscription requirement is satisfied by affixing or logically associating the person's full name, department or agency, and badge or personnel number to an electronically submitted document from an electronic device that is owned, issued, or maintained by a criminal justice agency. By subscribing to the statement in any one of the above-listed manners, the subscriber affirms that the statements made are true and correct, and does so under penalty of perjury.

A record of the email evidence in support of probable cause and the magistrate's email authorization of the warrant must be preserved for the record in accordance with court rule.

Votes on Final Passage:

Senate	47	1	
House	98	0	(House amended)
Senate	47	2	(Senate concurred)

Effective: June 12, 2014

SSB 6283

C 138 L 14

Clarifying the practice of a phlebotomist.

By Senate Committee on Health Care (originally sponsored by Senators Becker, Bailey and Keiser).

Senate Committee on Health Care
House Committee on Health Care & Wellness

Background: The Department of Health (DOH) issues four types of medical assistant licenses: certified, registered, hemodialysis technician, and phlebotomist. Certification as a phlebotomist requires successful completion of a phlebotomy education or training program and demonstrated proficiency in procedural standards and techniques for blood collection. Persons credentialed as medical assistant-phlebotomist or medical assistant-certified may perform capillary, venous, or arterial invasive procedures for blood withdrawal under the general supervision of a qualified health care practitioner.

The Centers for Medicare & Medicaid Services regulates all laboratory testing, except research, performed on humans in the United States through Clinical Laboratory Improvement Amendments (CLIA). The purpose of CLIA is to ensure the accuracy and reliability of test results. Requirements are based on the complexity of a particular laboratory test and may be waived for simple tests determined to carry a low risk of error.

Persons licensed as medical assistant-certified and medical assistant-registered may perform tests waived under CLIA as of July 1, 2013. They may also perform moderate complexity tests if they meet certain federal educational and training standards for personnel qualifications and responsibilities for nonwaived testing. DOH must periodically update the list of permitted waived tests based on changes made under CLIA.

Summary: Medical assistant-phlebotomists may perform the following: (1) tests waived under CLIA as of July 1, 2013; (2) moderate and high-complexity tests if they meet federal educational and training standards for personnel qualifications and responsibilities for non-waived testing; and (3) electrocardiograms. DOH must update the list of permitted waived tests periodically based on changes made under CLIA.

Votes on Final Passage:

Senate	47	0	
House	94	3	(House amended)
House	96	1	(House receded/amended)
Senate	48	0	(Senate concurred)

Effective: June 12, 2014

SB 6284
C 94 L 14

Regarding expenditures from the public health supplemental account.

By Senators Hill and Frockt; by request of Department of Health.

Senate Committee on Health Care
House Committee on Appropriations Subcommittee on Health & Human Services

Background: The public health supplemental account was established in 2001 at the request of the Department of Health (Department), to allow the Department to solicit funds from public and private sources, such as foundation funding, and track those funds separately. Language was added that prevented the account to be used to pay for or add permanent full-time equivalent staff.

The Department has been successful in receiving funding, with the Susan G. Komen Foundation as the largest contributor. The language limiting the ability to pay for permanent full-time staff lead the Department to hire part-time staff to administer activities related to the funds. This lead to inefficiencies and hiring difficulties, and has not allowed existing full-time staff expertise to be applied to certain programs.

Summary: Expenditures from the public health supplemental account may also include funding for staff.

Votes on Final Passage:

Senate	43	0
House	97	1

Effective: June 12, 2014

SB 6299
C 38 L 14

Requiring the department of health to develop and make available resources for pregnant women regarding prenatal nutrition.

By Senators Becker, Keiser and Kohl-Welles.

Senate Committee on Health Care
House Committee on Health Care & Wellness

Background: Prenatal care is medical attention given to an expectant mother and her developing baby. Prenatal care also involves the mother caring for herself by following her health care provider's advice, practicing good nutrition, exercising sensibly, and avoiding certain foods and activities harmful to herself or her baby. Good nutrition during pregnancy promotes a mother's health and may reduce the risk of certain chronic conditions for her child, such as obesity, diabetes, and heart disease.

Summary: The Department of Health (DOH) must develop and make available educational resources for pregnant women regarding best practices in prenatal nutrition. The educational resources may include, but are not limited to, courses delivered in-person or electronically and pamphlets printed on paper or made available on DOH's website. The educational resources are intended to provide pregnant women knowledge of healthy foods and essential daily nutrients needed to promote infant growth and development.

Votes on Final Passage:

Senate	49	0
House	86	11

Effective: June 12, 2014.

2SSB 6312
C 225 L 14

Concerning state purchasing of mental health and chemical dependency treatment services.

By Senate Committee on Ways & Means (originally sponsored by Senators Darneille, Hargrove, Rolfes, McAuliffe, Ranker, Conway, Cleveland, Fraser, McCoy, Keiser and Kohl-Welles; by request of Governor Inslee).

Senate Committee on Human Services & Corrections
Senate Committee on Ways & Means
House Committee on Health Care & Wellness
House Committee on Appropriations

Background: The state of Washington purchases mental health and chemical dependency services through a number of different agencies and entities. Among these are the Health Care Authority (HCA), Department of Social and Health Services (DSHS), county-administered regional support networks (RSNs), and tribal authorities.

In 2013 the Legislature adopted two bills, Second Substitute Senate Bill 5732 and Engrossed Substitute House Bill 1519, which require the state to establish outcome expectations and performance measures in its purchasing of medical, behavioral, long-term care, and social support services. HCA and DSHS must establish a steering committee to guide this change process. Reports describing this process are due to the Governor and Legislature in 2014 and 2016.

The Adult Behavioral Health Task Force (taskforce) is a Legislature-led taskforce, consisting of ten voting members, which is charged with examining reform of the adult behavioral health system. The taskforce must begin its work on May 1, 2014, and report its findings by January 1, 2015. The taskforce must make recommendations for reform concerning, but not limited to, the following subjects:

- the means by which services are delivered for adults with mental illness and chemical dependency disorders;
- availability of effective means to promote recovery and prevent harm associated with mental illness;

- crisis services, including boarding of mental health patients outside of regularly certified treatment beds;
- best practices for cross-system collaboration between behavioral health treatment providers, medical care providers, long-term care service providers, entities providing health home services to high-risk Medicaid clients, law enforcement, and criminal justice agencies; and
- public safety practices involving persons with mental illness with forensic involvement.

Also in 2013, with the support of a $1 million federal grant from the Center for Medicaid and Medicare Innovation, Washington created a document called the Washington State Health Care Innovation Plan (Innovation Plan). The Innovation Plan sets forth a framework for health system transformation, consisting of three strategies for achieving better health, better care, and lower costs, and seven foundational building blocks of reform. Some key recommendations relevant to the purchasing of behavioral health services include achieving greater integration of mental health, substance abuse, and primary care services by phased reductions in administrative and funding silos; restructuring Medicaid procurement into regional service areas; and requiring all health providers to collect and report common performance measures. The Innovation Plan forms the basis of an application for further awards of federal funding in the form of testing grants, to be awarded in 2014.

In July 2013, the Center for Medicare and Medicare Services (CMS), which is the federal agency that oversees state Medicaid contracts, sent a letter to the state of Washington asserting that Washington's means of procuring behavioral health services through RSN contracts is not valid under federal law. Over the course of a series of correspondence, Washington has raised legal questions with respect to this guidance, and is currently waiting for a further response from CMS.

Summary: Upon the receipt of guidance from the taskforce, DSHS and HCA must jointly establish common regional service areas for behavioral health and medical care purchasing. The Washington Association of Counties (WSAC) must be given the opportunity to propose composition of regional service areas by August 1, 2014. The taskforce must provide its guidance by September 1, 2014. Each regional service area must contain a sufficient number of Medicaid lives to support full financial risk managed care contracting, include full counties which are contiguous with each other, and reflect natural referral patterns and shared service resources.

DSHS must integrate chemical dependency purchasing primarily with managed care contracts administered by RSNs, exempting the Criminal Justice Treatment Account, by April 1, 2016. On that date, RSNs are renamed behavioral health organizations (BHOs). Counties corresponding to regional service areas, or the RSN if the county has made a decision not to contract as an RSN prior to January 1, 2014, must submit a detailed plan demonstrating capacity to serve as BHOs; if an adequate plan is submitted, the counties or RSN must be awarded the contract in that region. BHOs must offer contracts to managed health care systems for co-location of behavioral health professionals in primary care settings, and managed health care systems must offer contracts to BHOs for co-location of primary care services in behavioral health clinical settings.

By January 1, 2020, the community behavioral health program must be fully integrated into a managed health care system that provides mental health services, chemical dependency services, and medical care services to Medicaid clients. By December 1, 2018, DSHS and HCA must report on preparedness for integration in each regional service area. A group of county authorities corresponding with a regional service area may request earlier integration of medical and behavioral health service purchasing in the regional service area. County authorities which elect to move to full integration by January 1, 2016, may receive an incentive payment of up to 10 percent of state savings within their regional service areas related to statutory outcome and performance measures for up to a six-year period, according to rules to be developed by DSHS and HCA.

DSHS may hold back a portion of the resources appropriated for the use of RSNs in order to incentivize outcome-based performance, the integration of behavioral health and primary care services, and improved care coordination for individuals with complex care needs. DSHS may establish priorities for expenditures of appropriations for non-Medicaid services.

The start date of the taskforce is accelerated to April 1, 2014. Voting membership of the taskforce is altered by adding three members appointed by WSAC and removing two executive members. The mission of the taskforce is expanded to include making recommendations for reform related to the following: purchasing behavioral health services; guidance concerning the creation of common regional service areas for purchasing behavioral health and medical care services; performance measures and outcomes related to managed care contracts; obstacles to sharing of health care information across practice settings; identification of key issues for integration of physical and behavioral health by 2020; whether to create a statewide behavioral health ombuds office; whether requirements for the state chemical dependency program should be amended to mandate specific services, and a review of involuntary commitment disparities across jurisdictions. The expiration date for the taskforce is extended by one year, and a final report is added on December 15, 2015.

DSHS and HCA must ensure that their behavioral health purchasing contracts are consistent with existing legal provisions requiring establishment of quality standards, accountability for outcomes, and adequate provider networks. These contracts must require the implementa-

tion of provider reimbursement methods which incentivize improved performance, integration of behavioral health and primary care services, and improved care coordination for individuals with complex care needs.

DSHS must adopt financial solvency requirements for RSNs which allow DSHS to initiate contract action if it finds that an RSN's finances are inadequate. DSHS must establish mechanisms for monitoring RSN performance, including remedies for poor performance such as financial penalties or contract termination procedures.

In the event of a reprocurement for behavioral health services, DSHS must give significant weight to several enumerated factors, including demonstrated commitment and experience serving persons who have serious mental illness or chemical dependency disorders; and demonstrated commitment to and experience with partnerships with criminal justice systems, housing systems, and other critical support services.

Certificate of need requirements are suspended in fiscal year 2015 for hospitals that change the use of licensed beds to increase the number of beds used to provide psychiatric services. A person licensed as a chemical dependency professional or chemical dependency professional trainee may treat patients in settings other than programs approved under chapter 70.96A RCW if the person is licensed in another specified health care profession.

DSHS and HCA must develop a plan to provide integrated medical and behavioral health care to foster children by December 1, 2014. Jails may share booking data with specified entities for the purpose of research in the public interest. DSHS and HCA must establish record retention schedules for maintaining data related to contract performance measures. Terminology is updated relating to chemical dependency services, including changing references to "alcoholics" and "drug addicts" to "persons with a substance use disorder."

Votes on Final Passage:

Senate	49	0	
House	69	29	(House amended)
House	75	22	(House amended)
Senate	48	1	

Effective: April 4, 2014 (Section 1)
June 12, 2014
April 1, 2016 (Sections 7, 10, 13-54, 56-84, and 86-104)
July 1, 2018 (Section 85)

SB 6321
C 95 L 14

Removing the statutory provision that allows members of plan 3 of the public employees' retirement system, school employees' retirement system, and teachers' retirement system to select a new contribution rate option each year.

By Senators Bailey and Conway; by request of Select Committee on Pension Policy.

Senate Committee on Ways & Means
House Committee on Appropriations

Background: The Teachers' Retirement System Plan 3 (TRS 3) provides retirement benefits to certificated employees of school districts and educational service districts. The School Employees' Retirement System Plan 3 (SERS 3) provides retirement benefits to classified school district employees. The Public Employees' Retirement System Plan 3 (PERS 3) provides benefits for regularly compensated public employees and appointed and elected officials unless they fall under a specific exemption from membership, such as qualification for another of the state retirement systems. PERS-covered employers include all state agencies and most local government entities other than the cities of Seattle, Tacoma, and Spokane. Since 2007 membership in TRS 3, SERS 3, and PERS 3 has been optional for new members of each of the retirement plans. New hires choosing Plan 3 must choose a contribution rate option for their defined contribution accounts. For members of PERS 3 and SERS 3, this selection is permanent. The only way for those members to change rate options is to change employers. Members of TRS 3 can choose to change their contribution rate option in January of each year by notifying their employer in writing.

All of the state retirement plans are operated consistent with federal tax laws which provide that contributions made to the plans by members and employers are not subject to income taxes at the time contributions are made. A pension plan that complies with the Internal Revenue Code (IRC) provisions that define when preferential tax treatment is given to pension plan contributions and investment income is generally referred to as a tax-qualified plan. After TRS 3 was created in 1995, the Department of Retirement Systems (DRS) was informed by the federal Internal Revenue Service (IRS) that TRS 3 members could be given an annual option to change their contribution rate without TRS 3 loosing its status as a tax-qualified plan. In 2003 a statutory change was made to give members of PERS 3, TRS 3, and SERS 3 an annual option to change their contribution rates. However, the DRS has not administered the 2003 statutory change for PERS 3 and SERS 3 members due to a change in the IRS position regarding member contribution rate changes in governmental employee pension plans under IRC section 401(a).

Currently only members of TRS 3 are able to change their rate option each year. In February 2013, the IRS informed DRS that TRS 3 would remain a tax-qualified plan

only if the Legislature removes the option for TRS 3 members to change their contribution rate each year.

Summary: The option of PERS 3, TRS 3, and SERS 3 members to select a new contribution rate option each year for their individual defined contribution accounts is removed. The change is effective after January 2015 for members of TRS 3.

Votes on Final Passage:

Senate	49	0
House	95	3

Effective: June 12, 2014

SB 6328

C 172 L 14

Concerning deferred compensation plans.

By Senators Roach and Kline.

Senate Committee on Ways & Means
House Committee on Appropriations

Background: The Washington State Deferred Compensation Program (DCP) is a supplemental tax-deferred savings program under section 457 of the federal Internal Revenue Code (IRC) offered to state employees and to the employees of local governments that elect to participate in the program. It is administered by the Department of Retirement Systems which contracts with a vendor for record keeping and other administrative services. More than 1000 employers and 53,000 employees participate in the DCP. Local governments are also authorized to offer deferred compensation programs to their employees through vendors rather than through the DCP.

The Washington State Investment Board (WSIB) is responsible for establishing investment policy; developing participant investment options; and managing investment funds of the self-directed retirement and savings programs, including the selection and monitoring of investment options offered to DCP participants. In making these decisions it acts as a plan fiduciary. State law permits the DCP and local government deferred compensation programs to deposit or invest funds in a credit union, savings and loan association, bank, mutual savings bank, shares of an investment company, or fixed and/or variable annuity contracts from any insurance company or investment company licensed to conduct business in the state. Currently WSIB has 19 investment options for DCP participants: savings pool, bond fund, socially responsible balanced fund, four equity index funds, and 12 retirement date strategy fund options.

Some employer retirement savings plans offered under IRC section 401(k) and some government deferred compensation programs under IRS section 457 also offer a brokerage account option that gives plan participants access to a range of investment alternatives available on the market, in addition to standard options. The investment options can include individual securities.

Summary: Investment in individual securities is added to the list of investment options authorized for the DCP and for local government deferred compensation programs.

Votes on Final Passage:

Senate	47	0
House	98	0

Effective: June 12, 2014

2SSB 6330

C 96 L 14

Promoting affordable housing in unincorporated areas of rural counties within urban growth areas.

By Senate Committee on Ways & Means (originally sponsored by Senator Sheldon).

Senate Committee on Financial Institutions, Housing & Insurance
Senate Committee on Ways & Means
House Committee on Finance

Background: All real and personal property is subject to property tax each year based on its value, unless a specific exemption is provided by law.

The Legislature provided a property tax exemption for property associated with the construction, conversion, or rehabilitation of qualified, multi-unit, residential structures located in a targeted residential area contained in an urban growth center. The exemption does not apply to the value of land or nonhousing-related improvements, or to increases in assessed valuation made on non-qualifying portions of the building or the value of the land. A property for which an application for a certificate of tax exemption is submitted after the effective date of the act may be eligible for an 8-year tax exemption. If the property owner commits to renting or selling at least 20 percent of units as affordable housing units to low and moderate-income households, the property may be eligible for a 12-year exemption.

In the case of properties intended exclusively for owner occupancy, the state affordable housing requirement may be satisfied by providing 20 percent of units as affordable to moderate-income households. Cities may impose additional affordable housing requirements, limits, and conditions. Cities with a population of 5000 or more are eligible to establish the target areas; smaller cities may participate if they are the largest city or town located in a county that must plan under the Growth Management Act.

The multi-unit housing exemption is also available in an urban growth area under RCW 36.70A.110 where the unincorporated population of a county is at least 350,000 and there are at least 1200 students living on campus at an institute of higher education during the academic year; for example, the area surrounding Pacific Lutheran Universi-

ty. For any multi-unit housing located in an unincorporated area of a county, a property owner seeking this tax incentive must commit to renting or selling at least 20 percent of the multifamily housing units as affordable housing units to low and moderate-income households.

Summary: The multifamily housing property tax exemption is made available to eligible properties located within a residential targeted area in an unincorporated area of an urban growth area that was designated before January 1, 2013, within a rural county. The rural county must have a population between 50,000 and 71,000 and border Puget Sound. The residential targeted area must have sewer service. The property tax exemption for properties located in rural counties expires on January 1, 2020.

The act's tax preference performance statement specifies that the public policy objective is to stimulate the construction of new multifamily housing in urban growth areas located in unincorporated areas of rural counties where housing options, including affordable housing options, are severely limited. The tax preference performance statement requires the Joint Legislative Audit and Review Committee to use data provided by counties in which beneficiaries are utilizing the preference, the Office of Financial Management, the Department of Commerce, and the United States Department of Housing and Urban Development to analyze the demography of the occupants inhabiting the multifamily housing benefiting from the tax preference.

Votes on Final Passage:

Senate	44	5	
House	94	3	(House amended)
Senate	49	0	(Senate concurred)

Effective: June 12, 2014

SSB 6333

C 97 L 14

Concerning tax statute clarifications, simplifications, and technical corrections.

By Senate Committee on Ways & Means (originally sponsored by Senators Schoesler and Hargrove).

Senate Committee on Ways & Means
House Committee on Finance

Background: When legislation is enacted, it frequently contains references to other statutes. These references may become erroneous due to changes made to the referenced statutes by other legislation enacted during the same legislative session. In addition, statutes sometimes include provisions that are limited in time. These provisions become obsolete with the passage of time.

From time to time, administrative agencies suggest statutory revisions for the purpose of increasing clarity or improving administration.

Summary: This act makes clarifications and technical corrections, fixes oversights, increases administrative efficiency, simplifies reporting requirements, and deletes obsolete statutes.

Part 1.

- The Department of Reveue (DOR) is allowed to update nexus thresholds by the statutory formula without going through the rulemaking process.
- The deadline for DOR to report to the Legislature annual reports and surveys is extended from October 1 to December 1.
- DOR is allowed to serve a levy electronically with a person's written consent.

Part 2. Obsolete statutes are repealed that require DOR to create a list of taxable candy items and provide a report to the Legislature on the working families tax credit.

Part 3. Several clarifying and corrective amendments are provided. This includes creating a single codified statute from a double amendment. References to statutes no longer in existence are eliminated. Erroneous subsection references and phrasing to provide clarity and consistency are updated.

Part 4.

- The annual reporting requirement under RCW 82.32.534 for FAR part 145 repair stations is added, as the reporting requirement was inadvertently removed.
- The annual reporting requirement under RCW 82.32.534 for aerospace product development for others is added, as the reporting requirement was inadvertently omitted when the aerospace annual reporting statute was repealed and replaced with RCW 82.32.534.
- The annual survey reporting requirement under RCW 82.32.582 is added and the filing of the annual report in RCW 82.32.585 is eliminated if an annual survey is filed. This change makes it so some industries do not need to file both an annual survey and an annual report.
- Language is added to recognize recent legislation allowing assessors to provide notices electronically upon the consent of the taxpayer.
- Language is added to reflect inadvertent omission of the term publicly owned to describe exempt property in recent legislation.

Part 5. The term "public transportation agency" to entities who qualify for the tax preferences for ride sharing for persons with special transportation needs is added to reflect the current DOR position and clarify possible inconsistent application of law.

Language is updated that relates to clarifying requirements for qualifying ride-sharing vehicles for both the motor vehicle excise tax (MVET) and the sales and use tax

exemptions to add consistency between the MVET exemption in RCW 82.44.015 and the sales and use tax exemptions in RCW 82.08.0287 and 82.12.0287.

Part 6. Language is updated to simplify the claiming of certain tax preferences in reference to replacement parts and livestock nutrient management systems and facilities by farmers.

Votes on Final Passage:

Senate	47	0
House	97	0

Effective: June 12, 2014

SSB 6339

C 52 L 14

Concerning coercion of involuntary servitude.

By Senate Committee on Law & Justice (originally sponsored by Senators Fraser, Roach, Kohl-Welles, Benton, Hasegawa, Chase, Keiser and Kline).

Senate Committee on Law & Justice
House Committee on Public Safety

Background: A person is guilty of "coercion" for the use of a threat to compel or induce a person to engage in conduct which the latter has a legal right to abstain from, or to abstain from conduct which the person has a legal right to engage in. Coercion is a gross misdemeanor. Involuntary servitude is when a victim is forced to work by the use or threat of physical restraint or physical injury, or by coercion through law or legal process.

A person is guilty of trafficking if the person:

- recruits, harbors, transports, transfers, provides, obtains, or receives by any means another person, knowing that force, fraud, or coercion will be used to cause the person to engage in forced labor, involuntary servitude, a sexually explicit act, or a commercial sex act, or that the person has not reached the age of 18 years and is caused to engage in a sexually explicit act or a commercial sex act; or
- benefits financially or receives anything of value from participation in a venture that has engaged in the above acts.

The offense is trafficking in the first degree if the acts involve kidnapping, sexual motivation, illegal harvesting of human organs, or result in a death; otherwise, the offense is trafficking in the second degree. Trafficking in the first degree is a class A felony, with a seriousness level of XIV. Trafficking in the second degree is a class A felony, with a seriousness level of XII.

Summary: A person commits coercion of involuntary servitude by coercing another person to perform labor or services by:

- withholding or threatening to withhold or destroy documents relating to a person's immigration status; or
- threatening to notify law enforcement officials that a person is present in the United States in violation of federal immigration laws.

Coercion does not include a report to law enforcement that a person is present in the United States in violation of federal immigration status.

A person may commit coercion of involuntary servitude regardless of whether the person provides any sort of compensation or benefits to the person who is coerced. Coercion of involuntary servitude is an unranked class C felony.

Involuntary servitude means a condition of servitude in which the victim was forced to work by the use or threat of physical restraint or physical injury, by the use of threat of coercion through law or legal process, or through coercion of involuntary servitude.

Votes on Final Passage:

Senate	48	0
House	83	15

Effective: June 12, 2014

SB 6358

C 53 L 14

Requiring institutions of higher education to provide certain financial aid information to admitted and prospective students.

By Senators Kohl-Welles, Bailey, Frockt, Becker, Chase and Tom.

Senate Committee on Higher Education
House Committee on Higher Education

Background: The State Need Grant (SNG) program assists needy and disadvantaged students by offsetting a portion of their higher education costs. To be eligible, a student's family income cannot exceed 70 percent of the state's median family income, which is currently $57,500 for a family of four. Approximately 74,000 low-income recipients received SNG funds during the 2012-13 academic year. However, 32,000 students were unserved for one or more terms.

According to the Washington Student Achievement Council, eligible students not receiving SNG funds are less likely to persist and re-enroll the following year. They are also less likely to attend fulltime and for the entire academic year, and they borrow more student loans than those with SNG assistance.

Summary: The Legislature recognizes that not all SNG-eligible students receive awards due to limited funds or unfamiliarity with aid policies. Thus, the Legislature in-

tends to ensure that colleges and universities clearly disseminate their financial policies to students.

Community and technical colleges must provide financial aid application due dates and information on whether or not financial aid will be awarded on a rolling basis to admitted students at the time of their acceptance.

All institutions of higher education are encouraged to post financial aid application dates and distribution policies on their websites.

Votes on Final Passage:

Senate	48	0
House	97	1

Effective: June 12, 2014

SSB 6387

C 139 L 14

Concerning individuals with developmental disabilities who have requested a service from a program that is already at capacity.

By Senate Committee on Ways & Means (originally sponsored by Senators Hill, Hargrove, Ranker, Fain, Braun, Tom, Dammeier, Parlette, Becker, Schoesler, Hewitt, Bailey, King, Angel, Roach, Keiser, Litzow, Kohl-Welles, O'Ban, Conway and Benton).

Senate Committee on Health Care
Senate Committee on Ways & Means
House Committee on Early Learning & Human Services
House Committee on Appropriations

Background: The Developmental Disabilities Administration (DDA) within the Department of Social and Health Services (DSHS) serves clients in a variety of community and institutional settings. The level of support needed by DDA clients to assist them in their daily lives and help them participate in the community varies greatly by individual. Some clients who have exceptional care and treatment needs receive care in state-run Residential Habilitation Centers (RHCs). Others may receive services through residential programs in community living situations, or receive services in their own homes. Services are offered under waivers; Home and Community Based Waiver services are a capped program and are only provided to individuals based on available funding. A number of individuals meet the statutory definition of having a developmental disability, have requested a service, and are waiting for such service.

On July 31, 2013, the State Auditor's Office released its Performance Audit of the DDA within DSHS. The Performance Audit found that over 20,500 individuals with developmental disabilities receive services from the state while an additional 15,100 who meet financial and physical eligibility requirements do not currently receive any services. The Performance Audit determined that this is "due in part to policy choices the state has made about the services it offers combined with insufficient funding to meet the demand for services." The Performance Audit recommended that the Legislature set policy and develop strategies to use cost-effective service options such as (1) reducing the number of RHCs; (2) expanding crisis stabilization and emergency respite services in the community; and (3) providing resources to build peer support networks in the community to aid clients and their families with transportation, respite, and day activities. The Performance Audit also recommended that the Legislature set targets to reduce the waitlist and prioritize the people waiting for services by their needs.

Long-term care (LTC) workers provide care to elderly and disabled clients, many of whom are eligible for publicly funded services through DSHS. These workers provide personal care assistance, i.e. bathing, eating, toileting, dressing, meal preparation, and household chores, to individuals with developmental disabilities and individuals with other LTC needs.

Most LTC workers are required to complete 75 hours of basic training, and 12 hours of continuing education every year thereafter. Most LTC workers are also required to pass written and skill demonstration exams to obtain certification as a home care aides. Prior to July 1, 2014, an individual provider who provides 20 hours or less of care for one person in any calendar month is exempt from certification requirements for becoming a home care aide.

Summary: DSHS must establish and maintain a service request list for individuals who are found to be eligible and have an assessed and unmet need for services offered under a home and community-based services waiver, but funding is not available to provide that service. Services must be prioritized for Medicaid-eligible clients and made available to non-Medicaid eligible clients based on available funding.

DSHS must develop and implement a Medicaid program to replace the Individual and Family Services program for Medicaid-eligible clients beginning May 1, 2015. The new Medicaid program must offer services that resemble the services offered through the Individual and Family Services program. To the extent possible, DSHS must expand the client caseload on the Medicaid program replacing the Individual and Family Services program. General Fund-State dollars previously provided for the Individual and Family Services program may be used to cover the costs of increasing the number of clients served.

By June 30, 2017, if additional federal funds through the Community First Choice Option are attained, then DSHS must increase the number served on the Medicaid program replacing the Individual and Family Services program by at least 4000 and increase the clients receiving services on the Home and Community Based Services Basic Plus Waiver by at least 1000.

The certification exemption for individual providers who provide 20 hours or less of care for one person in any calendar month is extended from July 1, 2014, to July 1, 2016. A certification exemption for individual providers who only provide respite service and work less than 300 hours in a calendar year is created through July 1, 2016.

Votes on Final Passage:

Senate	49	0	
House	93	4	(House amended)
Senate	48	0	(Senate concurred)

Effective: June 12, 2014

ESSB 6388

C 98 L 14

Creating a direct seller license for businesses that sell prepackaged foods directly to consumers through a web site.

By Senate Committee on Ways & Means (originally sponsored by Senator Padden).

Senate Committee on Commerce & Labor
Senate Committee on Ways & Means
House Committee on Agriculture & Natural Resources
House Committee on Appropriations Subcommittee on General Government & Information Technology

Background: The Washington State Board of Health (WSBH) must consider the most recent version of the United States Food and Drug Administration's food code for the purpose of adopting rules for food services in Washington State. WSBH must adopt rules controlling public health related to environmental conditions, such as heating, lighting, ventilation, sanitary facilities, and cleanliness in public facilities, including food service establishments.

Upon the request of a local health officer, the Secretary of Health may take legal action to enforce the public health state laws, rules, and regulations, or the local rules and regulations, and may institute any civil legal proceeding authorized by the laws of the state of Washington.

The Washington State Department of Agriculture (WSDA) regulates food processors and other food-related businesses, and administers a variety of agriculture-related programs.

Summary: Direct seller is defined as an entity that receives prepackaged food from a food processor licensed or inspected by a state or federal regulatory agency or by WSDA and delivers, by refrigerated vehicle, the food directly to consumers. The direct seller delivers the food without opening the packaging, dividing the food into smaller packages, or using interim storage.

WSDA must issue a direct seller license to an entity that:

- submits a completed application on forms approved by WSDA and the required fees;
- provides WSDA with a list of all vehicles, except for vehicles that are rented for less than 45 days, used by the applicant to deliver food;
- maintains all records of vehicles that are rented for less than 45 days for at least 12 months following the termination of the renewal period; and
- maintains a temperature log or uses a device to monitor the temperature of the food.

WSDA must:

- inspect delivery vehicles, food handling areas, refrigeration equipment, and product packaging;
- conduct audits of temperature logs and other food handling records;
- investigate any complaints against a licensed direct seller for failing to maintain food safety; and
- adopt rules necessary to administer the program.

The director of WSDA may deny, suspend, or revoke a direct seller license if an applicant or licensee refuses, neglects, or fails to comply with the laws, rules, regulations, or any order of the director of WSDA relating to direct seller licenses.

Fees under the program must be paid into the Food Processing Inspection Account within the Agricultural Local Fund and must be used for this program.

Direct sellers that have a license from WSDA are exempt from WSBH's food service rules and any food service regulations adopted by local health jurisdictions.

Votes on Final Passage:

Senate	46	1	
House	94	2	(House amended)
Senate	48	1	(Senate concurred)

Effective: June 12, 2014

SB 6405

C 99 L 14

Providing greater consistency in how nonprofit tax-exempt property may be used without jeopardizing the property's tax-exempt status.

By Senators Baumgartner, Padden, Hargrove and Cleveland; by request of Department of Revenue.

Senate Committee on Ways & Means
House Committee on Finance

Background: All real and personal property is subject to property tax each year based on its value, unless a specific exemption is provided by law. Several property tax exemptions exist for property owned by churches and various nonprofit organizations, including schools, camps, veteran organizations, blood and tissue banks, public assembly halls, ecological education, and conservation organizations. On a limited basis, nonexempt activity is allowed on tax-exempt property of nonprofit organiza-

tions. The nonexempt activities permitted and conditions under which they are allowed vary among nonprofit organizations.

Summary: Standardized criteria are established regarding the nonexempt use of tax-exempt property owned by nonprofit organizations.

In order to qualify for the tax exemption, nonprofit organizations must satisfy the following conditions: (1) rent and donations received from the use of the property are reasonable and do not exceed the maintenance and operation expenses attributable to the portion of the property loaned or rented; (2) fundraising events are permitted if they are consistent with the purpose of the exempt organization; (3) exempt property may be used for nonexempt purposes for not more than 50 days within a calendar year; and (4) exempt property may be used for pecuniary gain or to promote business activities for no more than 15 days per calendar year. Activities related to farmers markets on exempt church property may occur no more than 53 days within each assessment year.

If these conditions are violated, the exemption is removed for the affected portion of property for that assessment year.

Votes on Final Passage:

Senate	48	0
House	96	0

Effective: June 12, 2014
December 31, 2020 (Sections 3 and 8)

SB 6413
C 100 L 14

Clarifying prior offenses for driving under the influence or physical control of a vehicle under the influence.

By Senators Fain, Eide, Padden, Pearson, Hobbs, Angel, King, Becker, Tom, Sheldon, Dammeier, Honeyford, Hill, O'Ban, Litzow, Brown, Schoesler and Rolfes.

Senate Committee on Law & Justice
Senate Committee on Ways & Means
House Committee on Public Safety

Background: A person can commit driving under the influence (DUI) or being in physical control of a motor vehicle under the influence (PC) of intoxicating liquor or any drug if the person drives with a blood or breath alcohol concentration of 0.08 percent or higher, or is under the influence of or affected by liquor or any drug. A DUI or PC offense is punishable as a gross misdemeanor offense with progressively serious penalties depending upon whether the person has a criminal history that includes prior offenses within seven years. It becomes a class C felony, ranked at level V on the sentencing grid, if a person has four or more prior offenses within ten years.

For charging purposes, a prior offense includes the following:

- a conviction for DUI or PC;
- vehicular homicide committed while under the influence of intoxicating liquor or any drug, or committed in a reckless manner or with the disregard for the safety of others if the conviction is the result of a charge that was originally filed as a violation committed while under the influence of intoxicating liquor or any drug;
- a conviction for vehicular assault committed while under the influence of intoxicating liquor or any drug, or committed in a reckless manner or with the disregard for the safety of others if the conviction is the result of a charge that was originally filed as a violation committed while under the influence of intoxicating liquor or any drug;
- a conviction for negligent driving in the first degree, reckless driving, or reckless endangerment, if the conviction is the result of a charge that was originally filed as a violation of DUI, PC, vehicular homicide, or vehicular assault;
- an out-of-state conviction for an equivalent offense;
- a deferred prosecution granted in a prosecution for a violation of DUI or PC;
- a deferred prosecution granted in a prosecution for negligent driving, if the charge under which the deferred prosecution was granted was originally filed as a violation of DUI, PC, vehicular homicide, or vehicular assault;
- a deferred prosecution granted in another state for DUI or PC if the out-of-state deferred prosecution is equivalent to the deferred prosecution in Washington, including a requirement that the defendant participate in a chemical dependency treatment program; or
- a deferred sentence imposed in a prosecution for negligent driving in the first degree, reckless driving, or reckless endangerment, if the charge under which the deferred sentence was imposed was originally filed as a DUI, PC, vehicular homicide, or vehicular assault offense.

Summary: Five new offenses are added to the list of those that count as prior offenses when a person is charged with a DUI or PC offense. The additional offenses are the following:

- a conviction for driving or being in physical control of a commercial motor vehicle with alcohol in the offender's system;
- a conviction for operation of a vessel under the influence of alcohol or any drug;
- a conviction for operation of an aircraft under the influence of alcohol or any drug;

- a conviction for operation of a non-highway vehicle in a manner likely to endanger the property of another; and
- a conviction for operation of a snowmobile under the influence of alcohol or any drug.

When a person is arrested and taken into custody for a DUI offense and the officer has knowledge that the person has had a prior DUI conviction, that the person can only be released from custody by a judge.

In localities where 24/7 monitoring is available and verified by the Washington Association of Sheriffs and Police Chiefs, the court must sentence a person to either (1) the use of an ignition interlock device as a substitution to participating in 24/7 monitoring; (2) 24/7 monitoring as mandated in current statute; or (3) both ignition interlock requirements and 24/7 monitoring.

Votes on Final Passage:

Senate	48	0	
House	96	1	(House amended)
Senate	49	0	(Senate concurred)

Effective: June 12, 2014

SB 6415

C 101 L 14

Concerning consecutive sentences for driving under the influence or physical control of a vehicle under the influence of intoxicating liquor, marijuana, or any drug.

By Senators Fain, Angel, Tom, Dammeier, Hill, Becker, Eide, Hobbs, King, Brown, Bailey, Litzow, Schoesler, Braun and Rolfes.

Senate Committee on Law & Justice
Senate Committee on Ways & Means
House Committee on Public Safety
House Committee on Appropriations Subcommittee on General Government & Information Technology

Background: The sentencing court has broad discretion when sentencing offenders in misdemeanor and gross misdemeanor cases. Generally, sentences for multiple felony offenses set at one sentencing hearing are served concurrently unless there are two or more separate serious violent offenses or weapon offenses. In those cases, the sentences are served consecutively, unless an exceptional sentence is entered. The exceptions to this general rule are as follows:

- If the court enters a finding that some or all of the current offenses required the same criminal intent, were committed at the same time and place, and involved the same victim, the offenses are treated as one offense.
- In the case of two or more serious violent offenses arising from separate and distinct criminal conduct, the sentences for these serious violent offenses are served consecutively to each other and concurrently with any other sentences imposed for current offenses.
- In the case of an offender convicted of unlawful possession of a firearm in the first or second degree and for one or both of the crimes of theft of a firearm or possession of a stolen firearm, the sentences for these crimes are served consecutively for each conviction of the felony.
- In the case of an offender receiving a deadly weapon enhancement, the deadly weapon enhancement portion of the standard range is served consecutively to all other sentencing provisions, including other firearm or deadly weapon enhancements.
- Whenever a current offense is committed while the offender is under sentence for a previous felony and the offender was also sentenced for another term of imprisonment, the latter term may not begin until expiration of all prior terms.
- Whenever a person is sentenced under a felony that was committed while the person was not under sentence for a felony, the sentence runs concurrently with felony sentences previously imposed by any court unless the court pronouncing the subsequent sentence expressly orders that they be served consecutively.

Summary: Sentences for a felony driving under the influence or being in physical control of a motor vehicle under the influence of intoxicating liquor or any drug must be served consecutively with any sentences imposed for circumventing an ignition interlock device or operating a motor vehicle without a required ignition interlock device, both gross misdemeanor offenses. Sentences for circumventing an ignition interlock device or operating a motor vehicle without a required ignition interlock device are also served consecutively.

The act is null and void unless funded in the budget.

Votes on Final Passage:

Senate	48	0	
House	94	3	(House amended)
Senate	49	0	(Senate concurred)

Effective: June 12, 2014

SB 6419

C 39 L 14

Concerning expanding access to medicaid programs in border communities.

By Senators Cleveland, Benton, Keiser, Darneille, Frockt, Billig, Chase, Rolfes, Nelson, Dammeier, Fraser, Eide, Kohl-Welles, Kline, Pedersen, Hargrove, Ranker, Conway and McAuliffe.

Senate Committee on Health Care

House Committee on Health Care & Wellness

Background: The Health Care Authority (HCA), as the state Medicaid agency, contracts with managed care plans for most of the Medicaid medical program and holds some contracts directly with providers and others for fee-for-service. The Department of Social and Health Services (DSHS) contracts for a number of Medicaid services, including behavioral health services with regional support networks, chemical dependency services with counties, and long-term care services and supports with a variety of organizations.

Many of the medical managed care plans include cross-border providers in their networks now. Access to other services contracted with regional support networks and counties may vary considerably based on local determinations.

Some providers of care in border communities have expressed frustration with their inability to access care across the state border when it is more accessible than alternatives that may necessitate transporting a patient long distances or delaying care while beds become available elsewhere.

Summary: HCA and DSHS must collaborate and seek opportunities to expand access to care for Medicaid enrollees living in border communities, which may require agreements with providers across the state border.

All contracts for Medicaid services issued or renewed after July 1, 2014, must include provisions that allow for care to be accessed across borders, ensuring timely access to necessary care, including inpatient and outpatient services. The contracts must include reciprocal arrangements that allow Washington, Oregon, and Idaho border residents to access care when it is appropriate, available, and cost effective.

The agencies must jointly report to the health care committees and fiscal committees of the Legislature by November 1, 2014, with an update on the contractual opportunities and the anticipated impacts on patient access to timely care, the impact on the availability of inpatient and outpatient services, and the fiscal implications for the Medicaid programs.

Votes on Final Passage:

Senate	48	0
House	93	4

Effective: June 12, 2014

SB 6424

C 102 L 14

Establishing a state seal of biliteracy for high school students.

By Senators Roach, McAuliffe, Litzow, Fain, Bailey, Mullet, Hasegawa and Tom.

Senate Committee on Early Learning & K-12 Education

House Committee on Education

Background: The Office of Superintendent of Public Instruction (OSPI), in consultation with the public four-year institutions of higher education, the State Board of Community and Technical Colleges, and the Workforce Training and Education Coordinating Board, develops a standard high school transcript that must include a notation of whether the student has earned a certificate of individual achievement or a certificate of academic achievement.

The State Board of Education (SBE) establishes the state minimum high school graduation requirements. The current requirements do not require students to earn course credits in a world language. SBE proposed a 24-credit high school graduation framework that requires two credits of world language, although a student could substitute other course credits if the credits are associated with a student's post-secondary pathway as provided in the student's High School and Beyond Plan.

California and New York passed state legislation authorizing a state-level Seal of Biliteracy to recognize students who are proficient in English and another world language by high school graduation. The award is a notation that appears on the high school graduate's transcript or diploma, or both.

Every school district must make the Transitional Bilingual Instruction Program (TBIP) available to each student whose primary language is not English and whose English language skills are sufficiently deficient to impair learning. The purpose of TBIP is to enable students to achieve competency in English. According to OSPI, 94,176 students in May 2013 were English language learners enrolled in the state-funded TBIP. This represents 9 percent of total student enrollment. Additionally, OSPI reports that students across the state in TBIP spoke more than 200 different languages.

Summary: The Washington State Seal of Biliteracy (Seal) is established to recognize public high school graduates who attain a high level of proficiency in speaking, reading, and writing in one or more world languages in addition to English.

OSPI must adopt rules establishing criteria for the award of the Seal, including requiring a student to demonstrate proficiency in English by meeting the state high school graduation requirements in English, and proficiency in one or more other world languages. For the purposes of awarding the Seal, world languages include American sign language and Native American languages.

School districts are encouraged to award the Seal to qualifying students, and participating districts must place a notation on the student's diploma and transcript indicating the student has earned the Seal. Technical changes are made to permit the standardized high school transcript to include a notation of whether the student has earned the Seal.

By December 1, 2017, OSPI must report to the Legislature the number of students awarded the Seal in the previous two school years and the languages spoken by those students; and report the number of students enrolled or previously enrolled in the TBIP and the languages spoken by those students. OSPI must also report the methods used by students to demonstrate proficiency for the Seal, and how OSPI plans to increase the number of possible methods for students to demonstrate proficiency, particularly in world languages that are not widely spoken.

Votes on Final Passage:

Senate	48	0	
House	69	27	(House amended)
Senate	49	0	(Senate concurred)

Effective: June 12, 2014

SSB 6431

C 103 L 14

Concerning assistance for schools in implementing youth suicide prevention activities.

By Senate Committee on Early Learning & K-12 Education (originally sponsored by Senators Hargrove, Kohl-Welles, Liias, Kline, Rolfes, Parlette, Frockt, Pedersen and Conway).

Senate Committee on Early Learning & K-12 Education
House Committee on Education
House Committee on Appropriations Subcommittee on Education

Background: The Office of Superintendent of Public Instruction (OSPI) is the primary agency charged with overseeing K-12 public education in Washington State. OSPI works with the state's 295 school districts.

Currently, OSPI is required by law to work with state agency and community partners to develop pilot projects to assist schools in implementing youth suicide prevention activities.

In the 2013 legislative session, ESHB 1336, an act relating to increasing the capacity of school districts to recognize and respond to troubled youth, passed and became law. This law increases the capacity for school districts to recognize and respond to youth in need, including emotional and behavioral distress in students and indicators of possible substance abuse, violence, and suicide, through additional training, more comprehensive planning, and emphasis on partnerships between schools and communities.

Summary: OSPI must work with state agency and community partners to assist schools in implementing youth suicide prevention activities, which may include the following:

- training for school employees, parents, community members, and students in recognizing and responding to the signs of suicide;
- partnering with local coalitions of community members interested in preventing youth suicide; and
- responding to communities determined to be in crisis after a suicide or attempted suicide to prevent further instances of suicide.

OSPI must prioritize funding appropriated for implementing youth suicide prevention activities to communities identified as the highest risk.

OSPI, working with state and community partners, must prioritize funding appropriated for implementing such youth suicide prevention activities, to the following schools and communities:

- schools identified by the Department of Health as situated in a high-risk area or in a community with high-risk populations;
- tribal communities; and
- communities with a high percentage of students who speak English as a second language.

Votes on Final Passage:

Senate	49	0	
House	90	6	(House amended)
Senate	48	0	(Senate concurred)

Effective: June 12, 2014

ESSB 6436

C 215 L 14

Creating a work group to make recommendations for the continued viability of the college bound scholarship program.

By Senate Committee on Higher Education (originally sponsored by Senators Frockt, Bailey, Kohl-Welles and Hargrove).

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

Background: The Washington College Bound Scholarship Program (program) was created in 2007. Students are eligible if they qualify for free or reduced-price lunch. To be awarded the scholarship, an eligible student must pledge, during grade seven or eight, that they will (1) graduate from high school; (2) graduate with a C average; and (3) not have any felony convictions. To receive the scholarship, the student must have kept the pledge, have a family income at high school graduation below 65 percent of the state median, and be a resident student.

The Office of Superintendent of Public Instruction notifies schools about the program, and the Washington Student Achievement Council (WSAC) develops and distributes the pledge forms, tracks scholarship recipients, and distributes scholarship funds.

The scholarship is equal to the difference between the cost of the student's tuition and fees at a public college or

university, plus $500 for books and materials, and minus the value of any other state financial aid received for those items. The maximum award is for four years. The first scholarships were awarded to students who graduated in 2012. In the 2012-13 academic year, 4,690 students received a scholarship. The 2013-15 budget appropriated just over $36 million for the program.

Summary: The Legislature finds that emerging data on the program shows it is a success, but the program faces long-term challenges. Therefore, the Legislature intends to create a work group that will make recommendations to ensure the program is viable, productive, and effective.

A College Bound Scholarship Program Work Group is established with the following eleven members to be appointed by June 30, 2014:

- two from the House of Representatives, one from each major caucus;
- two from the Senate, one from each major caucus;
- one from the four-year institutions of higher education to be selected by the Council of Presidents;
- one from the two-year institutions of higher education to be selected by the State Board for Community and Technical Colleges;
- one from a private, nonprofit higher education institution to be selected by an association of independent nonprofit baccalaureate degree-granting institutions;
- one from WSAC;
- one from a private nonprofit college scholarship organization;
- one nonlegislative member to be appointed by the Governor; and
- one from the middle school system.

The work group must submit a report by December 31, 2014, to the Governor and appropriate committees of the Legislature with recommendations for making the program viable, including but not limited to funding.

The work group must meet at least once, but no more than five times, and is staffed jointly by Senate Committee Services in the Senate and the Office of Program Research in the House of Representatives. The Office of Financial Management will present necessary data.

Votes on Final Passage:

Senate	48	0	
House	92	5	(House amended)
Senate	48	0	(Senate concurred)

Effective: June 12, 2014

ESSB 6440

C 216 L 14

Concerning compressed natural gas and liquefied natural gas used for transportation purposes.

By Senate Committee on Transportation (originally sponsored by Senators King, Eide and Kline).

Senate Committee on Transportation
House Committee on Finance

Background: Transportation Taxes and Fees. Under current law there is a motor vehicle fuel tax of $0.375 per gallon imposed on motor vehicle fuel and special fuel. In order to encourage the use of nonpolluting fuels, there is an annual license fee in lieu of the motor vehicle fuel tax on vehicles powered by natural gas and propane. The annual license fee in lieu of motor vehicle fuel tax is based on the weight of the vehicle and the current motor fuel tax rate, which is currently between $140.00 and $781.25 plus a $5 handling fee.

Public Utility Tax (PUT). Income from utility operations is taxed under the PUT and is in lieu of the business and occupation (B&O) tax. Different rates apply depending upon the specific utility activity. The current rate, including permanent surtaxes, for the distribution of natural gas is 3.852 percent. Additionally, cities are authorized to impose PUT at a rate of 6 percent.

Business and Occupation (B&O) Tax. There is a B&O tax on certain business activities, including manufacturing, retailing, or wholesaling. A B&O tax is imposed on manufacturing businesses equal to 0.484 percent of the gross income of the business. A city may also impose a B&O tax, which is generally capped at 0.2 percent of gross income.

Sales and Use Tax. Machinery and equipment used by a manufacturer as part of a manufacturing activity is exempt from state and local sales and use taxes.

Brokered Natural Gas Use Tax. The state imposes a use tax on the privilege of using certain items in the state not otherwise subject to state sales tax. A specific use tax applies to the use of natural gas at a rate equal to the PUT. Cities and counties may also impose a use tax on the use of certain items, including natural gas. A use tax imposed by a local jurisdiction on natural gas is equal to the local PUT imposed within the jurisdiction.

Summary: Transportation Taxes and Fees. The annual license fee in lieu of the motor vehicle fuel tax is clarified to include vehicles that are powered by liquefied natural gas and compressed natural gas. Additionally, vehicles that are registered as part of the international registration plan would be subject to a prorated share of the annual license fee in lieu of the motor vehicle fuel tax.

Other State and Local Taxes. The compression or liquefaction of natural gas by a gas distribution business that is used as transportation fuel is considered a manufacturing activity. Liquefied natural gas and compressed natural

gas that are manufactured, sold, or used as transportation fuel by a gas distribution business are exempt from state and local PUTs and instead are subject to fuel taxes if it is used in a motor vehicle, or state and local sales and use taxes otherwise. The gross receipts of a gas distribution business that are exempt from the PUT are subject to the state B&O tax at the manufacturing rate of 0.484 percent and local B&O taxes of up to 0.2 percent.

The existing sales and use tax exemption that a gas distribution business is eligible for on machinery and equipment that is used in the production of compressed natural gas and liquefied natural gas for transportation purposes is changed to a refund. A gas distribution business may not apply for the refund until July 1, 2017, at which time they would be eligible for a refund for the prior two years. After that time the gas distribution business may apply for refunds quarterly. The refund is available to gas distribution businesses until July 1, 2028, after which time they are not eligible for a refund or an exemption.

The state and local brokered natural gas use tax does not apply where a consumer uses the gas as a transportation fuel.

The existing export exemptions from fuel tax and sales tax on liquefied natural gas and compressed natural gas for private and common carriers that operate by water in interstate or foreign commerce is limited to 90 percent of the fuel that is transported or consumed out of state. Proceeds from the additional revenue derived from the narrowed export exemption are transferred from the General Fund-State to the Motor Vehicle Fund and used to support Washington State Ferries and other state highway system needs.

The provisions of the act are identified as a tax preference with the following public policy objectives:

- promoting job creation and positive economic development;
- lowering carbon dioxide, sulfur dioxide, nitrogen dioxide, and particulate emissions; and
- securing optimal liquefied natural gas pricing for the Washington State ferry system and other public entities.

Utility Companies. A gas distribution business that serves both private and public customers operating marine vessels must provide liquefied natural gas to the Washington State ferry system and other public customers at a rate that is not higher than the rate that is charged to the private customer.

Other Provisions. The Department of Licensing must convene a stakeholder workgroup of industry stakeholders and other stakeholders as deemed necessary to:

- evaluate the existing annual license fee in lieu of fuel tax to determine a fee that more closely represents the average consumption of vehicles by weight and to make recommendations to the transportation committees of the Legislature by December 1, 2014, on an updated fee schedule; and
- develop a transition plan to move vehicles powered by liquefied natural gas and compressed natural gas from the annual license fee in lieu of fuel tax to the fuel tax. The transition plan must incorporate stakeholder feedback and must include draft legislation and cost and revenue estimates. The transition plan must be submitted to the transportation committees of the Legislature by December 1, 2015.

The Department of Revenue must convene a stakeholder workgroup to examine the appropriate level and manner of taxing liquefied natural gas used for marine vessel transportation and report back to the Legislature by December 1, 2025.

Vehicles powered by liquefied natural gas are added to the list of vehicles that are exempt from motor vehicle emission control inspections.

Transportation fuels include fuels used in motor vehicles, vessels, locomotives, and railroad cars.

Votes on Final Passage:

Senate	40	7	
House	87	11	(House amended)
Senate	43	6	(Senate concurred)

Effective: July 1, 2015

SSB 6442

C 54 L 14

Allowing sales of growlers of cider.

By Senate Committee on Commerce & Labor (originally sponsored by Senators Brown, Hatfield, Schoesler, Hobbs, Honeyford, Hewitt, Kohl-Welles, Keiser, Kline and Rolfes).

Senate Committee on Commerce & Labor
House Committee on Government Accountability & Oversight

Background: The following licensees are permitted to sell beer in a growler, which is a sanitary container brought to the premises by the purchaser or furnished by the licensee and filled at the tap at the time of sale: domestic breweries and microbreweries holding a spirits, beer, and wine restaurant license able to sell beer of their own production for off-premises consumption; a beer and wine specialty shop licensee with an endorsement to sell growlers; a spirits, beer, and wine restaurant licensee able to sell for off-premises consumption; and hotel licensees.

Cider is a table wine with at least 0.5 percent and up to 7 percent alcohol by volume, and is made from fermenting apples or pears.

Summary: Licensees that can already sell beer in growlers can also sell cider in growlers.

Licensees must still comply with federal law.

Votes on Final Passage:

Senate	45	4
House	86	10

Effective: June 12, 2014

SSB 6446

C 55 L 14

Concerning payments in lieu of taxes on county game lands.

By Senate Committee on Natural Resources & Parks (originally sponsored by Senators Schoesler, Hewitt and Ranker).

Senate Committee on Natural Resources & Parks
House Committee on Agriculture & Natural Resources

Background: PILT refers to payments made in lieu of local property taxes. Because property tax does not apply to property owned by state agencies, the Washington Department of Fish and Wildlife (WDFW) pays PILT to certain counties that have elected to receive it. A receiving county must distribute PILT to local taxing districts based on the location of the property.

For the 2011-13 and 2013-15 fiscal biennia, the Legislature has fixed the amount of PILT paid to each county based on the PILT received in 2009. Prior to 2012, counties chose one of the following two formulas to calculate WDFW PILT:

- the tax that would be due if the property were taxed as open space land; or
- the greater of either $0.70 per acre or the PILT amount paid in 1984. This choice requires that PILT was received in 1984.

Game lands eligible for WDFW PILT includes all WDFW-owned tracts of 100 or more acres used for wildlife habitat and public recreational purposes. Lands purchased with federal funds for wildlife habitat, public access, or recreation purposes in the Snake River drainage basin are also eligible. WDFW buildings, structures, facilities, game farms, fish hatcheries, tidelands, and public fishing areas are ineligible.

If a county elects to receive PILT, it must track the amount of fees, fines, and forfeitures received from fish and game violations and send an equivalent amount to the State Treasurer for deposit into the general fund. Counties need not track the fees, fines, and forfeitures information while the rate remains frozen at the 2009 level.

Summary: Effective July 1, 2015, a county may elect to receive WDFW PILT on game lands, except water access sites, regardless of acreage.

Votes on Final Passage:

Senate	49	0
House	96	0

Effective: July 1, 2015

ESSB 6450

C 56 L 14

Concerning on-water dwellings.

By Senate Committee on Natural Resources & Parks (originally sponsored by Senators Pedersen, Kohl-Welles, Pearson, Liias, Ericksen and Kline).

Senate Committee on Natural Resources & Parks
House Committee on Environment

Background: The Shoreline Management Act (SMA) requires the development of local shoreline master programs, which must be consistent with guidelines adopted by the Department of Ecology. Each local government must establish a program for the administration and enforcement of a shoreline permit system.

The SMA provides that all permitted or legally established floating homes as of January 1, 2011, must be considered as a conforming preferred use under local shoreline regulations. This means that local regulations may only impose reasonable conditions and mitigation that will not effectively preclude actions such as maintenance, repair, replacement, and remodeling of floating homes.

Summary: A floating on-water residence that was legally established before July 1, 2014, must be accommodated through reasonable local shoreline regulations, permit conditions, or mitigation. The local regulations may not effectively preclude actions such as maintenance, repair, replacement, and remodeling of floating on-water residences.

The term floating on-water residence means any floating structure, other than a floating home, that:

- is designed or used primarily as a residence on the water and has detachable utilities; and
- whose owner or primary occupant has held a lease or sublease to use space in a marina, or has held an ownership interest in space in a marina, since before July 1, 2014.

Votes on Final Passage:

Senate	49	0
House	88	10

Effective: June 12, 2014

SSB 6453
C 40 L 14

Concerning verification of hours worked through electronic timekeeping by area agencies on aging and home care agencies.

By Senate Committee on Health Care (originally sponsored by Senators Dammeier and Keiser; by request of Department of Social and Health Services).

Senate Committee on Health Care
House Committee on Health Care & Wellness

Background: The Department of Social and Health Services (DSHS) contracts with Area Agencies on Aging (AAA) to provide case management services to consumers receiving home and community services in their own home. Case management responsibilities are set in statute and include the following: verification that individual providers have met training requirements, are performing their duties, and have passed background checks; monitoring a plan of care to verify that it meets the needs of the consumer; and verifying worker time sheets. The verification of worker time sheets requires AAA to verify a sample of paper time sheets kept by the individual providers who provide personal care services to clients.

A new electronic payment system, the ProviderOne Compensation Subsystem Services (PCSS), will be implemented in 2015. Under PCSS, individual providers will electronically report hours worked. PCSS will automatically generate a list of randomly selected time records and send requests to AAA asking for verification that the hours claimed were actually worked.

DSHS pays home care agencies for in-home personal care or respite services. By law, DSHS must verify the agency employee hours by electronic timekeeping. Electronic timekeeping means an electronic, verifiable method of recording an employee's presence in the client's home at the beginning and end of the employee's client visit. The method used for verification requires the use of a landline phone. In response to concerns that landline phones are not always available, the Legislature included a budget proviso in the 2013-15 operating budget that permitted DSHS to establish limited exemption criteria when a landline phone is not available to home care agency employees. The budget proviso permitting this exemption expires June 2015.

Summary: AAA must continue to verify a sample of worker time sheets using paper time sheets until PCSS is available for individual providers to record their hours.

DSHS may pay a home care agency for in-home personal care or respite services if electronic verification is not possible and the home care agency so verifies.

Votes on Final Passage:

Senate	47	0
House	95	2

Effective: June 12, 2014

ESB 6458
FULL VETO
As Passed Legislature

Addressing the office of the insurance commissioner and matters related to health care insurance.

By Senators Becker, Angel, Dammeier, Brown, Tom, Schoesler, Bailey, Braun, Hill, Baumgartner, Litzow, Parlette and Honeyford.

Senate Committee on Health Care
House Committee on Health Care & Wellness

Background: The Washington State Insurance Commissioner was established as a statewide elected position in 1907. The Commissioner serves four-year terms.

Eleven states, including Washington, have an insurance regulator that is elected. In eight states, the insurance regulator is appointed by an official other than the Governor. In the majority of states, the Governor makes the appointment.

Summary: In addition to the requirements of the Administrative Procedure Act, the Insurance Commissioner must provide notice of proposed rulemaking on matters related to health care insurance to the health care committees of the Legislature, the Health Benefit Exchange (Exchange), the Health Care Authority (HCA), and the Governor.

In the event a dispute arises among the state officials and entities implementing the federal health care law, the Governor must convene a meeting with the following officials: the Insurance Commissioner; HCA; the Department of Health; the Department of Social and Health Services; the Governor's Legislative Affairs and Policy Office; the Office of Financial Management; the Exchange, and any other officials the Governor deems appropriate.

The Governor may utilize the Health Leadership Team as a forum to convene the meeting. The resolution of the meeting must be reported to the appropriate committees of the Legislature and the Joint Select Committee on Health Care Oversight.

Votes on Final Passage:

Senate	30	17	
House	96	2	(House amended)
Senate	35	14	(Senate concurred)

Effective:

VETO MESSAGE ON ESB 6458

April 2, 2014

To the Honorable President and Members,
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval, Engrossed Senate Bill No. 6458 entitled:

"AN ACT Relating to the office of the insurance commissioner and matters related to health care insurance."

This bill requires the Insurance Commissioner to provide notice of proposed rulemaking on matters related to health care insur-

ance to the health care committees of the Legislature and other interested parties. The bill also requires that in the event a "dispute" arises between the entities implementing the Affordable Care Act (ACA), the Governor convenes a meeting and report the results of the meeting to the legislature.

This bill, although helpful in getting the various parties in charge of implementing the Affordable Care Act (ACA) in Washington to better communicate with the legislature and each other, and to think of and come to solution oriented processes, it is ultimately unnecessary and unclear.

It is unnecessary because: (i) The Office of the Insurance Commissioner (OIC) already provides similar notice under the Administrative Procedure Act; and (ii) if disputes arise among the agencies implementing the ACA, my staff already use standing leadership team meetings that all the parties regularly attend to resolve issues. It is unclear because both provisions are included under the same subsection of the bill and the term "dispute" is undefined, making it ambiguous about whether it applies to only rulemaking or to any "dispute" related to implementation of the ACA.

However, in lieu of the bill, I am pleased the Insurance Commissioner has confirmed that it will communicate any rulemaking any interested party and it will work with the legislative chairs on an appropriate process.

I also find that a dispute resolution process would be helpful, so that is why I have asked the parties to agree to an Memorandum of Understanding (MOU) that details a clearer and more robust dispute resolution process than this bill requires, and a process that is more flexible and amendable for the future as might be necessary. The MOU details that disputes should first be resolved by the respective agency. If unresolved, the governor's office will develop a dispute resolution pathway that fits the particular issue or use the standing executive leadership team meeting to resolve the issue. If the issues remains unresolved, my staff will raise the issue with the me and inform the legislative Joint Select Committee on Health Care Oversight. I am pleased that the various agencies have all agreed to the terms of the MOU.

I am also pleased to say that once again, Washington has demonstrated leadership in implementing the Affordable Care Act in a bi-partisan manner.

For these reasons I have vetoed Engrossed Senate Bill No. 6458 in its entirety.

Respectfully submitted,

Jay Inslee
Governor

ESSB 6479
C 104 L 14

Providing caregivers authority to allow children placed in their care to participate in normal childhood activities based on a reasonable and prudent parent standard.

By Senate Committee on Human Services & Corrections (originally sponsored by Senators Frockt, Fain, Darneille, Kohl-Welles, Rivers and Kline).

Senate Committee on Human Services & Corrections
House Committee on Early Learning & Human Services

Background: A child who is dependent may be placed in out-of-home care by the Department of Social and Health Services (DSHS). A dependent child is a child who has been abandoned, abused, or neglected by a person legally responsible for the child's care; who has no parent or guardian capable of adequately caring for the child; or who is receiving extended foster care services.

Summary: Caregivers for a child placed in out-of-home care by DSHS have the authority to provide or withhold permission to allow a child in their care to participate in normal childhood activities without prior approval of a caseworker, DSHS, or court, based on a reasonable and prudent parent standard.

Normal childhood activities include but are not limited to extracurricular, enrichment, and social activities, and may include overnight activities outside the direct supervision of the caregiver for over 24 hours and up to 72 hours.

A reasonable and prudent parent standard is characterized by thoughtful parental decision making intended to maintain the child's health, safety, and best interest while encouraging the child's emotional and developmental growth. Authorizations must comply with the provisions of an existing safety plan developed by DSHS or court order. Neither the caregiver nor DSHS may be held liable for injuries to a child based on authorizations under the reasonable and prudent parent standard unless the actions or inactions of either constitute willful or wanton misconduct.

Caseworkers must discuss a child's interest and pursuit of normal childhood activities during monthly meetings with parents. Caseworkers must communicate the opinions of parents concerning their children's participation in normal childhood activities to foster parents so that the parents' wishes may be appropriately considered.

A background check is not required for persons who may have unsupervised access to children based on caregiver authorizations pursuant to the reasonable and prudent parent standard.

Votes on Final Passage:

Senate	48	1	
House	97	0	(House amended)
Senate	37	12	(Senate concurred)

Effective: June 12, 2014

ESB 6501
C 173 L 14

Concerning used oil recycling.

By Senators Ericksen and Darneille.

Senate Committee on Energy, Environment & Telecommunications
House Committee on Environment

Background: The Hazardous Waste Management laws establish a comprehensive framework for state and local government responsibilities concerning hazardous waste management practices. The Department of Ecology (Ecol-

ogy) must develop a state hazardous waste management plan. The state plan includes elements such as an inventory and assessment of the capacity of existing facilities to treat, store, dispose, and manage hazardous waste; a forecast of future hazardous waste generation; siting criteria for hazardous waste management facilities; and a program for public education and information. Ecology must include elements of local government hazardous waste plans as necessary for effective and coordinated statewide programs.

Local governments must prepare local hazardous waste plans and include an element to manage moderate-risk wastes generated or present in their jurisdiction. Local hazardous waste plans must include public involvement and education regarding hazards to human health and the environment from improper disposal of wastes; proper handling, reducing, recycling, and disposing of waste; and an inventory of facilities managing hazardous waste as well as generators of hazardous waste. In addition, local governments must include a used oil recycling element as part of their hazardous waste plans.

A used oil recycling element must include plans to reach local goals for household used oil recycling, and to the extent possible, incorporate voluntary agreements with the private sector and state agencies to provide sites for the collection of used oil; enforce sign and container ordinances and public education on used oil recycling; and provide an estimate of funding needed. Ecology must prepare guidelines on the requirements for the local government used oil recycling element. The guidelines include collection and rerefining goals, number of used oil collection sites needed, and suitable public used oil collection sites. These requirements may be waived if a local government demonstrates that the objectives of the used oil recycling program have been met. The guidelines established statewide equipment and operating standards for public used oil collection sites.

Used oil must be recycled, treated, or disposed in accordance with hazardous waste management requirements. Used oil that is contaminated with polychlorinated biphenyls (PCBs) is regulated under the federal Toxic Substances Control Act and enforced by the U.S. Environmental Protection Agency (EPA). These regulations include use, distribution, processing, disposal, and recordkeeping requirements.

Summary: In its guidance for the local government used oil recycling element, Ecology must include best management practices (BMPs) for preventing and managing PCB contamination at public used oil collection sites. By July 1, 2015, Ecology must update the BMPs to include tank testing requirements; contaminated tank labeling and security measures; contaminated tank clean-up standards; proper contaminated used oil disposal as required by EPA; spill control measures; and model contract language for used oil collection vendors.

Local governments must include in their used oil recycling element a plan for BMPs addressing prevention and management of PCB contamination at public used oil collection sites.

Cities and counties may submit a petition to Ecology for reimbursement of extraordinary costs associated with disposal of used oil contaminated with PCBs and compliance with EPA enforcement-related agreements. Ecology, in consultation with city and county moderate risk waste coordinators, EPA, and other stakeholders, must process and prioritize petitions when the following has been determined: the city or county followed and met BMPs for collecting and managing used oil and preventing and managing PBC contamination; the costs to the city or county for disposal of contaminated oil or for compliance with EPA enforcement orders or enforcement-related agreements are extraordinary; and the city or county could not reasonably accommodate or anticipate the extraordinary costs in their normal budget processes by following and meeting BMPs for oil contaminated with PCBs.

By January 1 of each year, Ecology must submit a prioritized list of petitions to the Legislature. It is the Legislature's intent to fund reimbursements from the Model Toxics Control Account.

Votes on Final Passage:

Senate	46	1	
House	98	0	(House amended)
Senate	48	0	(Senate concurred)

Effective: June 12, 2014

SB 6505

C 140 L 14

Delaying the use of existing tax preferences by the marijuana industry to ensure a regulated and safe transition to the controlled and legal marijuana market in Washington.

By Senators Hargrove, Hill and Braun.

Senate Committee on Ways & Means
House Committee on Finance

Background: Business and Occupation (B&O) Tax. Washington's major business tax is the B&O tax. The B&O tax is imposed on the gross receipts of business activities conducted within the state, without any deduction for the costs of doing business. A business may have more than one B&O tax rate, depending on the types of activities conducted. Major tax rates are 0.471 percent for retailing; 0.484 percent for manufacturing, wholesaling, and extracting; and 1.5 percent for services, and activities not classified elsewhere. Several lower rates also apply to specific business activities.

Retail Sales and Use Tax. Retail sales taxes are imposed on retail sales of most articles of tangible personal property, digital products, and some services. A retail sale is a sale to the final consumer or end user of the property,

digital product, or service. If retail sales taxes were not collected when the user acquired the property, digital products, or services, then use taxes applies to the value of property, digital product, or service when used in this state. The state, most cities, and all counties levy retail sales and use taxes. The state sales and use tax rate is 6.5 percent; local sales and use tax rates vary from 0.5 percent to 3.1 percent, depending on the location.

Property Tax. All real and personal property in this state is subject to the property tax each year based on its value, unless a specific exemption is provided by law. The tax bill is determined by multiplying the assessed value by the tax rate for each taxing district in which the property is located. The county treasurer mails a notice of tax due to taxpayers and collects the tax.

Tax Preferences. Washington has over 650 tax preferences authorized in law. A tax preference includes exemptions, deductions, credits, and preferential rates. Currently the agricultural industry has tax preferences for the B&O tax, retail sales and use tax, and property tax.

Marijuana for Recreational Use. In 2012 Washington voters approved Initiative 502, which established a regulatory system for the production, processing, and distribution of limited amounts of marijuana for nonmedical purposes. Under this system, the Liquor Control Board issues licenses to marijuana producers, processors, and retailers, and adopts standards for the regulation of these operations. Persons over 21 years of age may purchase up to 1 ounce of useable marijuana, 16 ounces of solid marijuana-infused product, and 72 ounces of liquid marijuana-infused product. The initiative established a marijuana excise tax at each level of production; the excise tax is in addition to the state's B&O tax and retail sales tax.

Summary: Marijuana, useable marijuana, and marijuana-infused products are excluded from existing tax preferences. The growing or producing of marijuana products is explicitly removed from the definitions of agriculture and farmer, which eliminates the ability for persons in that industry to take advantage of the agriculture exemptions. The exclusions for marijuana include 8 B&O tax preferences; 16 sales and use tax preferences; 4 additional excise tax preferences; and 4 property tax preferences, 2 for real property and 2 for personal property.

Additionally, the act exempts persons producing marijuana and marijuana products from inspection and licensing by the Department of Agriculture in regard to plants, seeds, and packaging. Marijuana is not subject to agriculture commodity provisions.

Votes on Final Passage:

Senate	47	0
House	55	42

Effective: June 12, 2014
July 1, 2015 (Section 4)
July 1, 2020 (Section 32)
Contingent (Section 6)

ESSB 6511

C 141 L 14

Addressing the prior authorization of health care services.

By Senate Committee on Health Care (originally sponsored by Senators Becker and King).

Senate Committee on Health Care
House Committee on Health Care & Wellness

Background: The 2013 Legislature passed E2SSB 5267, creating a prior authorization workgroup co-chaired by the chairs of the Senate and House health care committees. The workgroup was developed to streamline the prior authorization process, and was directed to examine a number of areas such as timelines for various interactions and when some services could be deemed approved without a prior authorization response. The workgroup met during the interim but did not issue final recommendations prior to the expiration of the bill.

Legislation passed in 2009 directed the Office of Insurance Commissioner (OIC) to select a lead organization to focus on administrative simplification of health insurance processes. The lead organization, OneHealthPort, facilitated a workgroup with broad participation of insurance carriers, state purchasers, and providers, and produced a number of recommendations for industry best practices, many of which are reflected in rule.

There are a variety of federal requirements and guidelines for insurance transaction standards and exchange of electronic information. OneHealthPort and other workgroup participants have been actively engaged in the development of new federal standards and recommendations.

Summary: OIC must reauthorize the efforts of the lead organization established for the administrative simplification efforts, and establish a new workgroup to develop recommendations for prior authorization requirements. The focus of the prior authorization efforts must include the full scope of health care services, including pharmacy issues.

A number of areas are identified for the workgroup to consider, including the following:

- requiring carriers and pharmacy benefit managers to list prior authorization requirements on a website;
- requiring a carrier or pharmacy benefit manager to issue an acknowledgment of receipt within a specified timeframe;
- recommendations for best practices for exchanging information, including alternatives to fax requests;
- recommendations for best practices if acknowledgement has not been received within the specified timeframe;
- recommendations if the carrier or pharmacy benefit manager fails to approve, deny, or respond to the

request within a specified timeframe and options for deeming approval;
- recommendations to refine timeframes in current rules; and
- recommendations specific to pharmacy services, including communication options and required information, and options for prior authorizations involving urgent and emergent care that might allow a short-term fill of a medication while the authorization is obtained.

The workgroup must consider opportunities to align with national mandates and regulatory guidance, and use information technologies and electronic health records to increase efficiencies in health care and automate business functions to ensure timely access to care for patients.

The workgroup must submit recommendations to OIC by October 31, 2014, and OIC must adopt rules implementing the recommendations of the workgroup.

Votes on Final Passage:

Senate	47	0	
House	96	0	(House amended)
Senate	49	0	(Senate concurred)

Effective: June 12, 2014

SB 6514

C 105 L 14

Modifying the definition of qualifying farmers markets for the purposes of serving and sampling beer and wine.

By Senators Kohl-Welles, Hewitt, Holmquist Newbry, Hatfield, King, Schoesler, Keiser, Tom and Kline.

Senate Committee on Commerce & Labor
House Committee on Government Accountability & Oversight

Background: Qualifying farmers markets are eligible to obtain a liquor license to sell beer and/or wine. Last year the law was changed to allow qualifying farmers markets to also apply for an endorsement to allow sampling of wine and/or beer. At the same time the definition of a qualifying farmers market was changed for the purpose of sampling only. The change permitted a farmers market to apply for the sampling endorsement if the total combined gross annual sales of farmers and processors at the farmers market equals $1 million or more and the farmers market met all other qualifications.

The current definition of a qualifying farmers market for the purpose of wine and beer sales is "an entity that sponsors a regular assembly of vendors at a defined location for the purpose of promoting the sale of agricultural products grown or produced in this state directly to the consumer under conditions that meet the following minimum requirements:

(A) there are at least five participating vendors who are farmers selling their own agricultural products;

(B) the total combined gross annual sales of vendors who are farmers exceeds the total combined gross annual sales of vendors who are processors or resellers;

(C) the total combined gross annual sales of vendors who are farmers, processors, or resellers exceeds the total combined gross annual sales of vendors who are not farmers, processors, or resellers;

(D) the sale of imported items and secondhand items by any vendor is prohibited; and(E) no vendor is a franchisee."

For the purpose of sampling of beer and wine, the definition includes the following: "However, if a farmers market does not satisfy (B) above, which requires that the total combined gross annual sales of vendors who are farmers exceed the total combined gross annual sales of vendors who are processors or resellers, a farmers market is still considered a 'qualifying farmers market' if the total combined gross annual sales of vendors at the farmers market is $1 million dollars or more."

Summary: The definition of a qualifying farmers market is changed for the purposes of selling beer and/or wine to align with the same definition of a farmers market for the beer and wine sampling endorsement. This allows the same farmers markets that satisfy the new qualifications to provide sampling of beer and wine to meet the qualifications for selling beer and wine.

Votes on Final Passage:

Senate	41	7
House	85	12

Effective: June 12, 2014

ESSB 6517

C 106 L 14

Exempting agency employee driver's license numbers and identicard numbers from public inspection and copying.

By Senate Committee on Governmental Operations (originally sponsored by Senators Roach, Chase, Fraser and Rivers).

Senate Committee on Governmental Operations
House Committee on Government Operations & Elections

Background: The Public Records Act (PRA), enacted in 1972 as part of Initiative 276, requires that all state and local government agencies make all public records available for public inspection and copying unless certain statutory exemptions apply. The provisions requiring public records disclosure must be interpreted liberally while the exemptions are interpreted narrowly to effectuate the general policy favoring disclosure.

Certain employment and licensing information contained in the files of a public agency is exempt from public

inspection and copying under the PRA, including the following:

- examination data used to administer a license, employment, or academic examination;
- applications for public employment including names of applicants, resumes, and other related materials submitted with respect to the applicant; and
- the residential addresses, phone numbers, email addresses, social security numbers, and emergency contact information of employees or volunteers of a public agency.

Summary: The driver's license or identicard numbers of the employees or volunteers of a public agency are exempt from public inspection and copying.

Votes on Final Passage:

Senate	48	0	
House	91	6	(House amended)
Senate	49	0	(Senate concurred)

Effective: June 12, 2014

E2SSB 6518

C 174 L 14

Abolishing innovate Washington and transferring its mission, powers, duties, functions, and property to Washington State University and the department of commerce.

By Senate Committee on Ways & Means (originally sponsored by Senator Chase; by request of Washington State Department of Commerce).

Senate Committee on Trade & Economic Development
Senate Committee on Ways & Means
House Committee on Appropriations

Background: In 2011 the Legislature created Innovate Washington as the successor agency to the Washington Technology Center and the Spokane Intercollegiate Research and Technology Institute to serve as the primary state agency focused on growing Washington's innovation-based economy and to respond to the technology transfer needs of existing businesses. Innovate Washington was created to:

- facilitate research and technology transfer opportunities supportive of state industries;
- provide mechanisms for collaboration between technology-based industries and higher education institutions;
- help businesses secure research funds and develop and integrate technology into new products;
- offer technology transfer and commercialization training opportunities for students;
- serve as the lead entity for coordinating clean energy initiatives; and
- administer technology and innovation grant and loan programs.

Innovate Washington's governance structure includes a 15-member board consisting of seven private-sector executives appointed by the Governor, four legislators, the Governor or Governor's designee, the president or designees from the University of Washington and Washington State University (WSU), and the Director of the Department of Commerce (Commerce).

The Investing in Innovation Account was also created by the Legislature as a non-appropriated account in the custody of the State Treasurer. Only the Executive Director of Innovate Washington or the Executive Director's designee has the authority to make expenditures from the account.

Innovate Washington has a performance agreement with the Innovate Washington Foundation (Foundation) under which the Foundation delivers the services for which Innovate Washington is responsible. The Foundation is governed by a separate board of directors than the board governing Innovate Washington.

In 2013 the Legislature eliminated all funding to Innovate Washington in the state operating budget. Innovate Washington, however, still exists as a state agency under statutory law.

Summary: The Innovate Washington state agency and enabling statutes are abolished as of the effective date of the act. Real property of Innovate Washington is assigned and transferred to WSU on the effective date of the act. In operating the 665 North Riverpoint Boulevard building and the Spokane Technology Center building, WSU must offer rental space to entities that provided services to Innovate Washington, such as the Innovate Washington Foundation, only in the Spokane Technology Center building, and not in the 665 North Riverpoint Boulevard building, and only at a rate equal to or greater to that charged to WSU prior to the effective date of the act.

The Innovate Washington Program (Program) is created in Commerce. The Program will, in general, perform the activities formerly done by Innovate Washington until June 30, 2015. The authority over the Investing in Innovation Account is transferred from Innovate Washington the state agency to Commerce for purposes of the Program.

The Sustainable Aviation Biofuels Work Group is transferred to the WSU Office of Alternative Energy. The WSU Office of Alternative Energy is directed to convene a sustainable aviation biofuels workgroup.

Votes on Final Passage:

Senate	47	0	
House	97	0	(House amended)
Senate	47	0	(Senate concurred)

Effective: June 12, 2014

SB 6522
C 142 L 14

Restricting the use of personal information gathered during the claims resolution structured settlement agreement process.

By Senators Holmquist Newbry and Conway.

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

Background: The Public Records Act (PRA) requires that all state and local government agencies make all public records available for public inspection and copying unless they fall within certain statutory exemptions. The provisions requiring public records disclosure must be interpreted liberally, and the exemptions narrowly, in order to effectuate a general policy favoring disclosure.

Workers who, in the course of employment, are injured or disabled from an occupational disease are entitled to benefits. Depending on the disability, workers are entitled to medical, temporary time-loss, and vocational rehabilitation benefits, as well as benefits for permanent disabilities. Certain injured workers can resolve their industrial insurance claims through claims resolution structured settlement agreements. During a settlement negotiation, information that is shared with the Department of Labor and Industries or the employer is not subject to public disclosure. An injured worker may share information about retirement benefits, spousal income, motivations for settlement, and unrelated medical conditions. However, when the agreement and any associated information in the claim file is submitted to the Board of Industrial Insurance Appeals (BIIA) for approval, the information loses its confidentiality and becomes subject to public disclosure.

Summary: All information related to individual settlement agreements submitted to the BIIA is exempt from public disclosure.

Information gathered during the settlement agreement process is a considered statement made in the course of compromise negotiations and is inadmissible in any future litigation. This would include forms filled out by the parties and testimony during a settlement conference before the BIIA.

Votes on Final Passage:

Senate	48	0
House	97	0

Effective: June 12, 2014

SB 6523
C 1 L 14

Expanding higher education opportunities for certain students.

By Senators Bailey, Tom, Fain, Litzow, Hill, Dammeier, Kohl-Welles, McAuliffe, Pedersen, Billig, Ranker, Hatfield, Mullet, Hobbs, Liias, Fraser, Nelson, Conway, McCoy, Keiser, Chase, Hasegawa, Frockt, Rolfes, Cleveland, Darneille, Kline and Eide.

House Committee on Appropriations

Background: Resident Student. Under Washington law, classification as a resident student qualifies an individual to receive in-state tuition rates at public institutions of higher education. There are 13 categories of resident student, including the following four:

- a financially independent student who established a domicile in Washington for one year immediately prior to the first day of class for which the student registered, and established a domicile in the state for purposes other than educational;
- a dependent student, if one or both of the student's parents or legal guardians maintained a domicile in Washington for at least one year immediately prior to the start of class;
- a student who spent at least 75 percent of the student's junior and senior years in high schools in Washington, whose parents or legal guardians were domiciled in the state for at least one year within the five-year period before the student graduates from high school, and who enrolls in a public higher education institution within six months of leaving high school or for as long as the student remains continuously enrolled for three quarters or two semesters in any calendar year; or
- a student who completed the full senior year of high school and obtained a diploma at a Washington public or private high school, or received the equivalent of a diploma; lived in Washington for at least three years immediately prior to receiving the diploma or its equivalent; continuously lived in the state after receiving the diploma or its equivalent and until being admitted to a public institution of higher education; and provided to the institution 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 other activities necessary to acquire citizenship.

Except as provided in certain sections of the resident student eligibility statute, persons who are not citizens of the United States are considered nonresident students for tuition purposes.

State Need Grant (SNG) Program. The SNG program assists low-income students by offsetting a portion of their higher education costs. Approximately 74,000 low-income recipients received SNG funds during the 2012-13 academic year. However, 32,000 students were unserved for one or more terms. The Legislature appropriated $605 million for the SNG program in the 2013-15 budget.

Deferred Action for Childhood Arrival (DACA) Status. The United States Department of Homeland Security exercises prosecutorial discretion to not remove certain individuals, including those that are granted DACA status. Individuals may be granted DACA status for a period of two years, subject to renewal, and may be eligible for employment authorization. When requesting consideration of DACA from United States Citizenship and Immigration Services, an individual must submit evidence, including support documents, showing that they met the following:

- were under the age of 31 as of June 15, 2012;
- came to the United States before reaching their 16th birthday;
- have continuously resided in the United States since June 15, 2007;
- were physically present in the United States on June 15, 2012, and at the time ofthe DACA request;
- entered without inspection before June 15, 2012, ortheir lawful immigration status expired as of June 15, 2012;
- are currently in school, graduated from or obtained a certificate of completion from high school, obtained a general education development certificate, or are an honorably discharged veteran of the Coast Guard or armed forces of the United States; and
- were not convicted of a felony, significant misdemeanor, three or more other misdemeanors, and do not otherwise pose a threat to national security or public safety.

Federal and Other State Financial Aid Policies. Students without legal immigrant status are ineligible for federal financial aid. Three of the 16 states that allow undocumented students to receive in-state tuition rates also allow undocumented students to receive state financial aid: California, New Mexico, and Texas.

Summary: Students are eligible for SNG if they meet the category of resident student that includes any person who:

- completed the full senior year of high school and obtained a diploma at a Washington public or private high school, or received the equivalent of a diploma;
- lived in Washington for at least three years immediately prior to receiving the diploma or its equivalent;
- continuously lived in the state after receiving the diploma or its equivalent and until being admitted to a public institution of higher education; and
- provided to the institution 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 other activities necessary to acquire citizenship.

Additionally, students are eligible for SNG if they are granted DACA status, and:

- completed the full senior year of high school and obtained a diploma at a Washington public or private high school, or received the equivalent of a diploma;
- lived in Washington for at least three years immediately prior to receiving the diploma or its equivalent; and
- continuously lived in the state after receiving the diploma or its equivalent and until being admitted to a public institution of higher education.

The Act is known as the Real Hope Act.

Up to $5 million is appropriated for fiscal year 2015 from the general fund to the Washington Student Achievement Council for student financial aid payments under the SNG program.

Votes on Final Passage:

Senate	35	10
House	75	22

Effective: June 12, 2014

E2SSB 6552

PARTIAL VETO

C 217 L 14

Improving student success by modifying instructional hour and graduation requirements.

By Senate Committee on Ways & Means (originally sponsored by Senators Rolfes, Dammeier, Litzow, Rivers, Tom, Fain, Hill, Kohl-Welles, Mullet, McAuliffe and Cleveland).

Senate Committee on Early Learning & K-12 Education
Senate Committee on Ways & Means
House Committee on Education
House Committee on Appropriations

Background: Career and Technical Education (CTE) Equivalencies. Under current law, school districts are directed to examine their credit-granting policies and award academic credit for CTE courses that they determine to be equivalent to an academic course. If a student is granted equivalency credit, the student's transcript reflects the academic course number and description.

The Office of Superintendent of Public Instruction (OSPI) is directed to provide professional development, technical assistance, and guidance for school districts to accomplish this equivalency crediting. OSPI developed a Course Equivalency Toolkit to assist districts in making these determinations. Although OSPI has a list of CTE courses that school districts consider equivalent, there is

no data about the number of such credits actually granted. All decisions about granting equivalency credit are made by local school districts.

Instructional Hours. Revisions to the legislative definition of the Program of Basic Education adopted in 2009 require school districts to provide students with an increase in minimum instructional hours from a district-wide average of 1000 hours across all grades, to 1000 hours in each of grades one through six and 1080 hours in each of grades seven through 12. Initially this increase was to be implemented according to a schedule adopted by the Legislature. In 2011 the Legislature specified that the increase would not occur before the 2014-15 school year.

School districts may schedule the last five school days of the 180-day school year for non-instructional purposes for students graduating from high school.

High School Graduation Requirements. The State Board of Education (SBE) is statutorily authorized to establish the state minimum requirements for high school graduation through administrative rules. The current state requirements are to earn a minimum of 20 high school course credits; pass the state assessments or approved alternative assessments; complete a culminating project; and complete a high school and beyond plan (HSBP). While the issue has not been addressed in the Washington State courts, federal and other state courts have generally found that when high school graduation requirements are increased, sufficient notice must be provided to entering students so the students know what is required to earn a diploma and graduate from high school. Freshman students entering high school next year in the 2014-15 school year will be in the graduating class of 2018 if they graduate in four years.

Credit Requirements. The current credit requirements for the class of 2014 are three credits in English and mathematics, two and one-half credits in social studies, two credits in science with one of the credits a lab science, two credits in health and fitness, one credit in the arts and occupational education, and five and one-half credits in electives. SBE rule specifies the content of the three mathematics credits.

In 2009 the Legislature redefined the Program of Basic Education to provide students with the opportunity to complete 24 credits for high school graduation, subject to a phase-in implementation established by the Legislature. The course distribution requirements may be established by SBE. Changes in graduation requirements proposed by SBE must be submitted to the legislative education committees and the Quality Education Council for review before they are adopted. Changes that are found to have a fiscal impact on school districts take effect only if formally authorized and funded by the Legislature.

In 2010 SBE approved, but did not implement, a 24-credit high school graduation framework. In 2011 SBE implemented a phase-in of changes within the existing required 20 credits that were estimated to have no cost to school districts to take effect with the graduating class of 2016, although districts may seek a two-year extension to implement the requirements. The changes require an additional credit in English for a total of four, an additional one-half credit in social studies for a total of three, and one and one-half fewer credits in elective courses for a total of four. Additionally, SBE adopted a two-for-one policy that enables students taking a CTE course that is equivalent to an academic course to satisfy two graduation requirements while earning one credit.

In 2014 SBE adopted revisions to its 24-credit graduation requirement framework originally adopted in 2010. The current proposal differs from the requirements for the class of 2016 by requiring an additional credit in lab science and the arts, and two additional credits in world languages. One of the arts credits and both world languages credits may be substituted with personal pathway requirements. Personalized pathway requirements are credits that can be substituted if associated with a student's post-secondary pathway, as provided in the student's HSBP. Additionally, up to 2 credits may be waived by local administrators for students who have attempted 24 credits.

Prototypical School Funding Formula. In 2009 the Legislature adopted a statutory framework for a funding allocation model for public schools based on prototypical schools. The statute provides that the use of prototypical schools is intended to illustrate the level of resources needed to operate a school of a particular size with particular types and grade levels of students using commonly understood terms and inputs, such as class size, hours of instruction, and specified staff positions. Actual state funding allocations are adjusted from the school prototypes based on the actual number of students in each grade level at each school in the district. In 2010 the Legislature adopted in statute funding values or amounts for each of the specified elements of the prototypical school funding framework based on recommendations from a technical workgroup. The adopted funding values were intended to reflect the level of state allocations provided at the time.

2013-15 Omnibus Appropriation Act. The 2013-15 Omnibus Appropriations Act provides $97 million to implement the increase in instructional hours for students enrolled in grades seven through 12, beginning with the 2014-15 school year. The amount provided is calculated based on the cost of 2.222 additional hours of instruction per week. Additional funding is also provided to increase the allocation of guidance counselors from 1.909 to 2.009 for each prototypical high school in the 2013-15 Omnibus Appropriations Act.

Office of the Education Ombuds (OEO). OEO was established in 2006 to serve as an independent resource for parents and families regarding their involvement with public schools. OEO does not represent parents, but does respond to complaints and attempts to mediate concerns with school officials. Additionally, OEO collects data and makes annual public policy recommendations to the Governor, the Legislature, and SBE for improving the educa-

tion system, promoting family engagement in education, and identifying strategies to close the achievement gap.

Summary: The Legislature intends to address flexibility for increasing instructional hours and implementing 24 credits for high school graduation. The intent includes the educational policy reason for shifting the focus and intent of the funding provided for the 2014-15 school year, from compliance with the minimum instructional hours offering to assisting school districts to provide an opportunity for students to earn 24 credits for high school graduation and obtain a meaningful diploma.

CTE Equivalencies. OSPI, in consultation with one or more technical working groups, must develop curriculum frameworks for a selected list of CTE courses whose content in science, technology, engineering, and mathematics is considered equivalent, in full or in part, to science or mathematics courses that meet high school graduation requirements. The course content must be aligned with the state essential academic learning requirements and industry standards. OSPI must submit the course list and curriculum frameworks to SBE for review, public comment, and approval before the 2015-16 school year. The list may be periodically updated thereafter.

School districts must provide the opportunity for high school students to access at least one science or mathematics CTE course on the OSPI list. School districts with fewer than 2000 students may apply to SBE for a waiver from this requirement.

Instructional Hours. Beginning with the 2015-16 school year, school districts must offer the minimum of 1000 hours for grades one through eight and 1080 hours for grades nine through 12. Current law allowing districts to use a district-wide average to meet the instructional hours requirement is maintained instead of changing to requiring the minimum number of hours to be provided in each grade level.

Hours scheduled for non-instructional purposes during the last five days of the school year for graduating seniors must count toward the minimum instructional hour requirement.

High School Graduation Requirements. Beginning with the graduating class of 2015, the culminating project must not be an SBE requirement for graduation. SBE must adopt rules to implement the 24-credit requirement for high school graduation based on the career and college framework to take effect beginning with the graduating class of 2019. SBE rules must provide that the content of the third credit of mathematics and the third credit of science may be chosen by the student based on the student's HSBP with agreement of the student's parent, guardian, school counselor, or school principal.

School districts must provide students instruction that provides the opportunity to complete 24 credits for high school graduation, beginning with the graduating class of 2019. School districts may apply to SBE to implement the career and college ready graduation requirements beginning with the graduating class of 2020 or 2021, instead of the graduating class of 2019. School districts may waive up to two credits of the 24-credit requirements for individual students based on unusual circumstances and in accordance with written school district policy. By June 30, 2015, the Washington State School Directors' Association must adopt a model policy for granting individual student waivers of up to two course credits. The policy is to assist school districts in providing students the opportunity to complete graduation requirements without discrimination or disparate impact.

Prototypical School Funding Formula. A minimum lab science class size enhancement is provided to fund two laboratory science courses per full-time equivalent student to be completed within grades nine through 12. The enhancement is provided at an average class size of 19.98 full-time equivalent students. An additional allocation of $164.25 for maintenance, supplies, and operating costs are provided to students in grades nine through 12 above the current allocation. High school guidance counselors are increased from 1.909 to 2.539 for each prototypical high school.

OEO. OEO must convene a three-year taskforce on students with special needs to examine barriers in earning a diploma and fully accessing the education program provided by the public schools; and to recommend improved coordination and successful education and service delivery models. Reports are due by December 15 beginning in 2014 and each year thereafter until 2016.

Votes on Final Passage:

Senate	45	4	
House	93	5	(House amended)
Senate	45	2	(Senate concurred)

Effective: June 12, 2014
September 1, 2014 (Section 206)
September 1, 2015 (Sections 103 and 104)

Partial Veto Summary: The Governor vetoed the OEO three-year task force because it is duplicative of a similar directive to the OEO in the 2014 supplemental budget, Engrossed Substitute Senate Bill 6002.

VETO MESSAGE ON E2SSB 6552

April 3, 2014

To the Honorable President and Members,
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to Section 207, Engrossed Second Substitute Senate Bill No. 6552 entitled:

"AN ACT Relating to improving student success by modifying instructional hour and graduation requirements."

Section 207 of the bill directs the Office of the Education Ombuds to convene a three-year task force on students with special needs to examine barriers to earning a diploma.

Later this week I will sign the 2014 supplemental budget, Engrossed Substitute Senate Bill 6002, which includes a similar directive for the Office of Education Ombuds. As that provision of the budget is implemented, it is important that my ombuds office

work closely with the Office of the Superintendent of Public Instruction and stakeholders to improve education programs and support success for special education students--and all students. Section 207 creates unnecessary duplication.

For these reasons I have vetoed Section 207 of Engrossed Second Substitute Senate Bill No. 6552.

With the exception of Section 207, Engrossed Second Substitute Senate Bill No. 6552 is approved.

Respectfully submitted,

Jay Inslee
Governor

ESB 6553

C 107 L 14

Concerning the distribution of real property sale proceeds.

By Senators Kline, Hobbs, Hatfield and Fain.

Senate Committee on Financial Institutions, Housing & Insurance
House Committee on Judiciary

Background: Real property may be foreclosed judicially or non-judicially.

Nonjudicial Foreclosures. The Deeds of Trust Act (RCW 61.24) provides that if there are any surplus funds from a foreclosure sale, the surplus remains with the clerk of the superior court of the county in which the sale took place. Notice of the sale and the surplus funds is provided to all known junior lien holders. Any interest or liens or claims of liens against the property attach to the surplus in the order that it had attached to the property. A party seeking disbursement of the surplus funds must file a motion requesting disbursement in the superior court in the county where the surplus funds are deposited. The clerk may only disburse any surplus by order of the superior court of that county.

Judicial Foreclosures. After the satisfaction of the judgment of a judicial foreclosure, and the sale is confirmed, the clerk of the superior court must pay the judgment debtor any excess proceeds.

Distribution of Excess Proceeds Following Sale of Property Under Execution. A writ of execution is a court order addressed to the sheriff directing the sheriff to seize and sell property of a judgment debtor that is not exempt from execution. Following entry of a judgment, a judgment creditor may request issuance of a writ of execution from the court clerk directed to the sheriff. There are a variety of statutory sections, found in two separate titles of the RCW, that specify how the sheriff levies against and sells property of the debtor and how any excess proceeds realized by the sale are distributed:

- ?Pursuant to one section found in the chapter dealing with sales under execution, real property must be sold to the highest bidder, after which the sheriff returns the money realized by the sale to the clerk that issued the execution. Following notice to all parties to the action of the sale, the clerk is empowered to apply as much of the proceeds as necessary to satisfy the judgment, and pay any excess proceeds to the judgment debtor, by direction of court order.
- Pursuant to another section in the executions chapter, when property, whether real or personal, has been sold, the sheriff pays the proceeds to the clerk who issued the writ for satisfaction of the judgment or for return of any excess proceeds to the judgment debtor.

Pursuant to another section in the executions chapter, upon receipt of the proceeds from the sheriff following a sale, the clerk notifies the judgment creditor, satisfies the judgment, and then pays any excess to the judgment debtor.

Summary: In a judicial foreclosure, after confirmation of the sale and the judgment is satisfied, if there are any proceeds, the clerk must pay such proceeds to all interests in, or liens against, the property eliminated by the sale in the order of priority that the interest, lien, or claim attached to the property. Any remaining proceeds must be paid to the judgment debtor. Anyone seeking disbursement of surplus funds must file a motion requesting disbursement in the superior court for the county in which the surplus funds are deposited. Notice of the motion must be served upon or mailed to all persons who had an interest in the property at the time of the sale, not less than 20 days prior to the hearing of the motion. The clerk may only disburse any surplus by order of the superior court of that county. It is further clarified that the court, not the clerk, determines the order a priority attaches to any surplus funds. Rather than being paid first to the judgment debtor, excess sale proceeds realized in a sale of property under execution must be paid first to junior interest holders in the order of priority that the interest, lien, or claim attached to the property, as determined by the court. Only after these junior interests are paid, are the remaining proceeds paid to the judgment debtor.

Votes on Final Passage:

Senate	47	0	
House	97	0	(House amended)
Senate	49	0	(Senate concurred)

Effective: June 12, 2014

ESSB 6570

C 143 L 14

Adjusting timelines for fiscal year 2014 relating to the hospital safety net assessment.

By Senate Committee on Ways & Means (originally sponsored by Senators Becker, Keiser, Hargrove, Braun, Hill and Ranker; by request of Health Care Authority).

Senate Committee on Ways & Means

House Committee on Appropriations

Background: Provider charges, either assessments, fees, or taxes, have been used by some states to help fund the costs of the Medicaid program. Under federal rules, this would include any mandatory payment where at least 85 percent of the burden falls on health care providers. States collect funds from providers and pay them back as Medicaid payments, and states can claim the federal matching share of those payments.

The Legislature first created a Hospital Safety Net Assessment (HSNA) program in 2010. The program was set to expire on July 1, 2013. In the 2013 legislative session, the Legislature extended and modified the HSNA program in Engrossed Substitute Senate Bill 5913 (ESSB 5913).

In ESSB 5913, assessments are imposed on most hospitals, and proceeds from the assessments are deposited into the HSNA Fund (Fund). Money in the Fund may be used for various payments to hospitals, including supplemental payments and increased managed care payments for hospital services. The assessments, supplemental payments, and increased managed care payments phase down to zero by July 1, 2019. The sum of $199.8 million in the 2013-15 biennium may be expended from the Fund in lieu of General Fund-State payments to hospitals. That amount also phases down to zero by July 1, 2019.

ESSB 5913 contained an emergency clause and was effective July 1, 2013. The legislation directs the Health Care Authority (HCA) to begin charging assessments in quarterly installments beginning on July 1, 2013. HCA did not begin collecting assessments until October 1, 2013, due to a delay in receiving federal approval for the program. As a result, the delay will increase General Fund-State spending by approximately $25 million from enacted budget levels.

Summary: HCA is directed to collect all of fiscal year 2014's assessments between October 1, 2013, and June 30, 2014.

The timing for charging assessments and making supplemental payments and increased managed care payments is adjusted to reflect the October 1, 2013, start date.

Votes on Final Passage:

Senate	42	5
House	75	23

Effective: March 28, 2014

SB 6573

C 218 L 14

Changing the effective date of modifications to the aged, blind, and disabled and the housing and essential needs programs.

By Senators Hargrove and Hill.

Senate Committee on Ways & Means
House Committee on Appropriations

Background: Aged, Blind, or Disabled Assistance Program. The Aged, Blind, or Disabled Assistance Program was established in 2011. Under this program, the Department of Social and Health Services (DSHS) provides financial assistance to persons who meet the income, resource, and incapacity standards, which include having a medical or mental health impairment that is likely to meet federal Supplemental Security Income (SSI) disability standards. The federal SSI standards include the requirement that an individual has a disability that is likely to continue for a minimum of 12 months and that prevents the individual from performing work that the individual was able to perform within the past 15 years. A person is not eligible for the Aged, Blind, or Disabled Assistance Program if there has been a final determination that the person is not eligible for federal SSI.

Chapter 10, 2013 Laws of 2nd Special Session modified the disability standard between January 1, 2014, and July 1, 2015, to include persons who have a bodily or mental infirmity that will likely continue for a minimum of nine months and prevent the individual from performing work that the individual was able to perform in the prior ten years and who is otherwise likely to meet the federal SSI standard. Effective January 1, 2015, the definition of disabled person reverts to the federal SSI standard, which defines a disability as an impairment that will likely continue for a minimum of 12 months and prevent the individual from performing work previously performed in the last 15 years.

Summary: Aged, Blind, or Disabled Assistance Program. The effective date of modifications that were made to the disability standard under Chapter 10, 2013 Laws of 2nd Special Session are changed. The modified disability standard will expire June 30, 2014, instead of June 30, 2015.

Effective January 1, 2014, until June 30, 2014, a disabled person is an individual who has a bodily or mental infirmity that will likely continue for a minimum of nine months and prevent the individual from performing work that the person was able to perform in the prior ten years and who is otherwise likely to meet the federal SSI standard. If a person is determined to be disabled by DSHS, that person may be eligible for the Aged, Blind, or Disabled Assistance Program.

Beginning July 1, 2014, a disabled person is one who is likely to meet the federal SSI standard, which includes a disability that will likely continue for a minimum of 12 months and prevent the individual from performing work previously performed in the last 15 years.

Votes on Final Passage:

Senate	47	0
House	92	5

Effective: June 12, 2014

SJM 8003

Requesting Congress to amend the Communications Decency Act.

By Senators Kohl-Welles, Padden, Kline, Roach, Fraser, Carrell, Darneille, Pearson, Conway and Chase.

Senate Committee on Human Services & Corrections
House Committee on Technology & Economic Development

Background: The Communications Decency Act (Act) was enacted in 1996 to promote the continued development of the Internet. Section 230 of the Act assures internet service providers (ISPs) nearly complete immunity from liability as a way to encourage ISPs to promote the growth of the fledging internet without incurring liability for third-party communications. The section immunizes ISPs, even if they have actual notice of the harmful or offensive content and fail to take action.

In 1996, section 230 applied mainly to companies such as AOL and other large ISPs. But as the Internet has expanded, some courts have held that the section also immunizes websites such as Facebook, MySpace, and Backpage.com, making the legislation controversial. Today, the Internet makes it possible for companies such as Backpage.com to earn millions of dollars annually from the sale of location-specific advertisements, some of which directly facilitate the sex trafficking of minors and other victims. Without a change to section 230, states are unable to enact reforms that hold ISPs responsible for facilitating crimes against children and refusing to implement any measures to verify the age of persons featured in their advertisements.

Summary: The Washington State Legislature respectfully urges Congress to amend the Act to reflect the current scope and power of the Internet, to acknowledge the publisher-like role of companies like backpage.com, and to authorize states to enact and enforce laws holding ISPs liable when they knowingly facilitate child sex trafficking through the sale of adult escort advertisements.

Votes on Final Passage:

Senate	48	0
House	98	0

SSJM 8007

Requesting that congress pass legislation reforming the harbor maintenance tax.

By Senate Committee on Trade & Economic Development (originally sponsored by Senators Shin, Conway, Harper, Nelson, Kline, Becker, Hobbs, King, Eide, McAuliffe, Bailey, Hasegawa, Honeyford, Chase and Kohl-Welles).

Senate Committee on Trade & Economic Development
House Committee on Technology & Economic Development

Background: The Harbor Maintenance Tax (HMT) was enacted by Congress in 1986 to recover the cost of maintaining the nation's deep-draft navigation channels. The HMT is imposed on importers of ocean-going cargo based on the value of the goods being shipped through ports. The HMT does not apply to exports as exports are constitutionally protected due to their importance to the health of the nation.

According to the 2012 report by the Washington Council on International Trade and the Trade Development Alliance of Greater Seattle entitled "An International Competitiveness Strategy for Washington State," the HMT impacts Washington State's international competitiveness because (1) the tax is not charged when cargo goes to non-U.S. ports and then is shipped to the U.S. via rail or roads, this incentivizes the diversion of cargo away from U.S. ports; (2) current U.S. law does not require Harbor Maintenance Trust Fund (HMTF) revenues to be fully spent on harbor maintenance related investments and the balance of the HMTF has grown to over $7 billion; and (3) the geography of HMT expenditures does not correlate with the states where HMT revenues are generated.

A recent report by the Federal Maritime Commission (FMC) found that Pacific Northwest ports are especially vulnerable to the impacts from the HMT because as much as 26.7 percent of west coast container volume is at risk of being diverted to Canadian ports. The FMC report further found that up to half of the U.S. bound containers coming into Canada's west coast ports could revert to using U.S. west coast ports if U.S. importers were relieved from paying the HMT.

Summary: The Washington State Legislature recognizes that cargo diversion, due to the current structure of the Harbor Maintenance Tax (HMT), is a growing risk to Washington ports.

A request is made to the President and Congress to (1) pass legislation reforming HMT; and (2) provide for full use of all HMT revenues, ensure United States tax policy does not disadvantage United States ports and maritime cargo, and provide greater equity for HMT donor ports through limited expanded use of the harbor maintenance revenues.

Copies of the memorial must be sent to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, and each member of Congress from the state of Washington.

Votes on Final Passage:

Senate	49	0
House	90	7

SCR 8409

Approving the workforce training and education coordinating board's high skills high wages plan.

By Senators Bailey, Kohl-Welles, Chase, Rivers, Frockt, Parlette, Cleveland, Dammeier, McAuliffe, Keiser, Tom, Conway and Mullet; by request of Workforce Training and Education Coordinating Board.

Senate Committee on Higher Education
House Committee on Labor & Workforce Development

Background: The Workforce Training and Education Coordinating Board (Board) was created in 1991 to provide planning, coordination, evaluation, monitoring, and policy analysis for the state workforce training system as a whole, and to advise the Governor and the Legislature concerning the training system.

The Board must develop and maintain a ten-year state comprehensive plan for workforce training and education. The plan must establish goals, objectives, and priorities for the state training system.

Every four years, the Board must provide the Legislature and the Governor with an update of the state comprehensive plan. The Legislature, after public hearings, must approve or recommend changes to the plan and the updates by way of a concurrent resolution. Once approved, the plan becomes the state's workforce training policy unless legislation is enacted to alter the policies set forth in the plan.

The most recently updated plan, called High Skills, High Wages 2012-2022, includes the following goals and objectives:

- improving career and education guidance for students;
- increasing workplace and life skills development;
- expanding programs of study for career-focused courses;
- increasing workplace experiences;
- addressing student retention;
- prioritizing job search and placement for people in first careers;
- increasing employer engagement with the system by improving outreach;
- promoting economic development and encouraging investing in strategic economic opportunities;
- expanding learning opportunities for workers at all stages of the education and career paths;
- improving the quality and speed of job matching and referrals;
- strengthening performance accountability by focusing on employment and earnings outcomes; and
- reducing barriers to sharing or splitting funding and establishing cost-sharing practices.

Summary: The House of Representatives and the Senate, by way of concurrent resolution, approve the state comprehensive plan for workforce training and education.

Votes on Final Passage:

Senate	49	0
House	94	4

SUNSET LEGISLATION

Background: The Legislature adopted the Washington State Sunset Act (43.131 RCW) in 1977 in order to improve legislative oversight of state agencies and programs. The sunset process provides for the automatic termination of selected state agencies, programs, units, subunits, and statutes. Unless the Legislature provides otherwise, the entity made subject to sunset review must formulate the performance measures by which it will ultimately be evaluated. One year prior to an automatic termination, the Joint Legislative Audit and Review Committee (JLARC) and the Office of Financial Management conduct program and fiscal reviews. These reviews are designed to assist the Legislature in determining whether agencies and programs should be terminated automatically or reauthorized in either their current or a modified form prior to the termination date.

Summary: Legislation modified sunset reviews for:

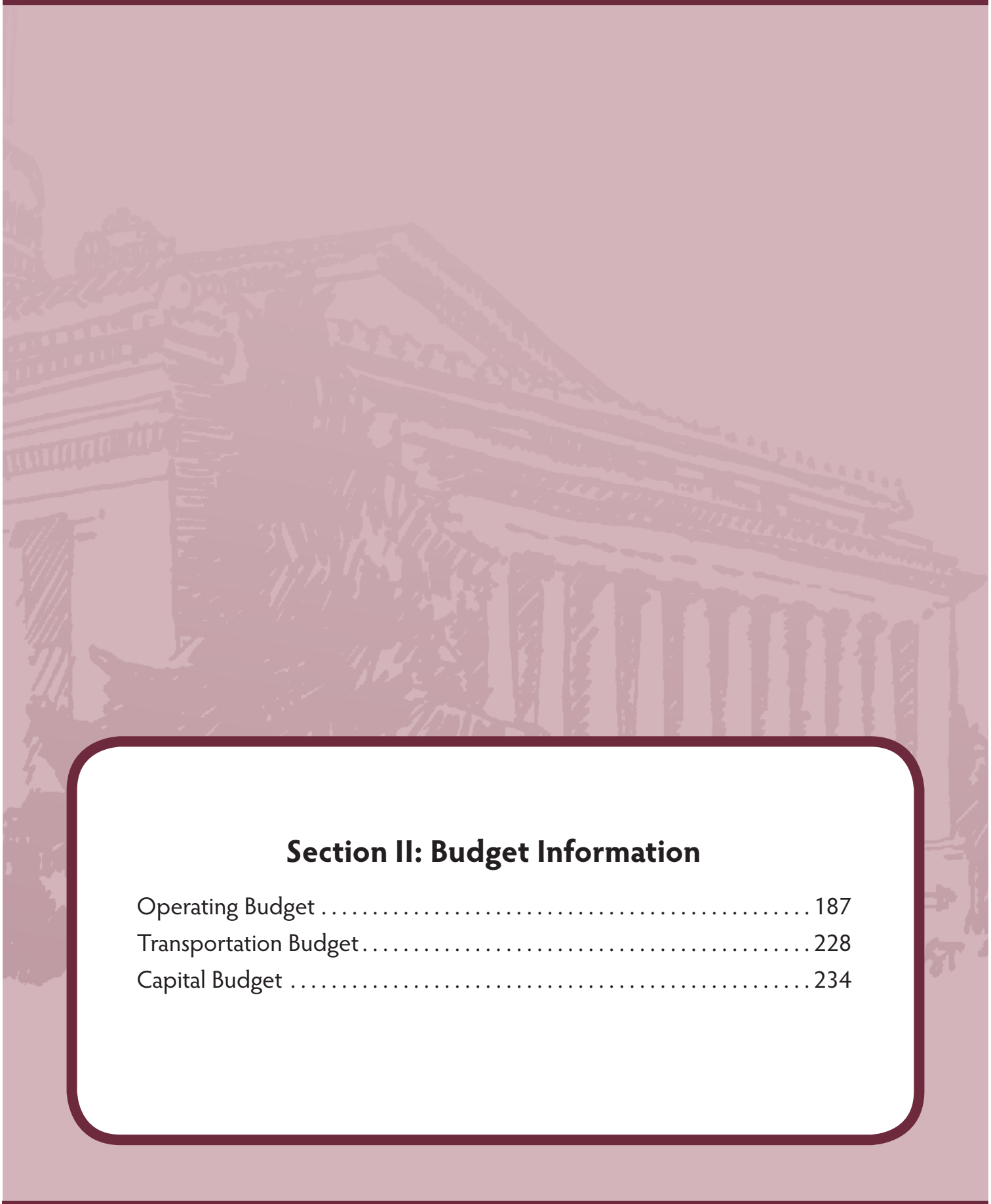
(1) After July 1, 2025, the Mercury Lights Stewardship Law and Program will undergo a sunset review by JLARC. Without legislative action to extend the program, the law will be repealed effective July 1, 2026; and
(2) The Veterans' Innovation Program is repealed on June 12, 2014.

Programs Added to Sunset Review

ESHB 2246 adds a new sunset review for the mercury-containing lights product stewardship program: http://apps.leg.wa.gov/documents/billdocs/2013-14/Pdf/Bills/Session%20Laws/House/2246-S.SL.pdf

Programs Removed from Sunset Review

HB 2130 repeals the sunset provisions for the Veterans Innovations Program: http://apps.leg.wa.gov/documents/billdocs/2013-14/Pdf/Bills/Session%20Laws/House/2130.SL.pdf



Section II: Budget Information

This Page Intentionally Left Blank

2014 Supplemental Budget Overview
Operating, Transportation, and Capital Budgets

Washington State biennial budgets, after supplemental changes made by the Legislature in the 2014 session, total $83.4 billion. The omnibus operating budget accounts for $67.6 billion. The transportation budget and the omnibus capital budget account for $9.3 billion and $6.4 billion, respectively.

Separate overviews are included for each of the budgets. The overview for the omnibus operating budget can be found on page O-10, the overview for the transportation budget is on page T-3. The Legislature did not pass a 2014 Supplemental Capital Budget.

Omnibus Operating Budget statewide reports in this publication references NGF-S + Opportunity Pathways Account (Near General Fund State plus the Opportunity Pathways Account) and agency detail reports reference NGF-P, which is the acronym for NGF-S + Opportunity Pathways Account. Near General Fund-State refers to the General Fund-State Account and the Education Legacy Trust Account.

2014 Supplemental Omnibus Budget Overview
Operating Only

Fiscal Context

The 2013-15 biennial budget adopted by the Legislature in June 2013 left a projected ending fund balance in the Near General Fund-State (NGF-S) and Opportunity Pathways accounts of $58 million. Total reserves, which include the Budget Stabilization Account, were projected to be $635 million. Since then, forecasted revenue has increased and fiscal year 2013 lapses were larger than previously assumed. After accounting for these changes, the net result is that prior to the 2014 supplemental omnibus operating budget being written by the Legislature, the 2013-15 projected NGF-S + Opportunity Pathways ending fund balance grew to $441 million, and total reserves were $1.02 billion.

Enacted 2014 Supplemental Omnibus Operating Budget

The Legislature met in a November 2013 special session. In that session, the legislature adopted Chapter 1, Laws of 2013, 3rd sp.s. (ESHB 2088), which appropriated $10 million for various aerospace related training activities. In addition, the Legislature passed Chapter 2, laws of 2013, 3rd sp.s. (ESSB 5952) relating to tax preferences for aerospace manufacturing.

In developing the 2014 supplemental omnibus operating budget, the cost of maintaining current services (updated caseloads and other maintenance level changes) was estimated to increase by a net of $89 million. The major changes to maintenance level include: mandatory caseload, utilization, and federal match rate adjustments in health care; staff mix and enrollment changes in K-12; College Bound Scholarship adjustments in higher education; caseload adjustments in TANF/WCCC; Hospital Safety Net Assessment and Affordable Care Act implementation adjustments; and self-insurance and workers compensation premium adjustments.

Finally, in addition to funding the maintenance level changes, the 2014 supplemental omnibus operating budget as passed the legislature had $66 million in net policy level increases (NGF-S + Opportunity Pathways); veto actions reduced this to $63 million.

Some of the larger policy increases include:

- $58 million to increase the materials, supplies, and operating costs (MSOC) allocations to public schools;
- $25 million for the Opportunity Scholarship Program (public-private scholarship program);
- $23 million to fund the child care collective bargaining agreement with family home providers and to provide a rate increase for child care center providers;
- $20 million in various increases in mental health including the children's mental health lawsuit settlement, a variety of community mental health enhancements, and overtime costs at Eastern and Western State hospitals;
- $10 million to restore health care savings previously assumed in the biennial budget (offset by newly assumed health care savings);
- $7 million for fire suppression costs in the Department of Fish and Wildlife and the Department of Natural Resources that exceed the existing appropriation in the biennial budget; and
- $5 million for increased capacity for adult offenders by opening the remaining 256-bed unit at the Washington State Penitentiary and leasing 75 jail beds for female offenders.

Some of the larger policy savings include:

- $61 million in state employee health care savings through a reduction in the employer funding rates utilizing a one-time fund balance and better-than-expected claims rates;
- $25 million in savings by responding to the delay in the implementation of the Hospital Safety Net Assessment changes made in 2013, restoring the expected benefits to hospitals and the state;
- $11 million in savings from maintaining managed care rates for low income health insurance at calendar year 2014 levels (rather than assuming a 2% increase in rates);
- $10 million in savings from a one-time fund shift related to the WorkFirst and Working Connections Child Care programs; and
- $10 million in savings is assumed from LEAN management efficiencies (this is in addition to the $30 million assumed in the underlying biennial budget).

The legislature also assumed resource changes that include:

- Liquor Control Board budget driven revenue of $8 million;
- A correction in the amount of the Liquor Excise tax going to local governments, which costs the state $9 million;
- An update to the amount transferred into the Child and Family Reinvestment Account, which adds $4 million in resources;
- A transfer of $20 million from the Life Sciences Discovery Fund to the General Fund-State; this item was subsequently vetoed by the Governor; and
- Transfers from several other dedicated accounts that total $6 million.

Ending Balances

The supplemental budget passed by the legislature was balanced under the terms of the four-year outlook balanced budget (applicable to both the 2013-15 and 2015-17 biennia). For the enacted budget, the NGF-S + Opportunity Pathways ending fund balance for the 2013-15 biennium is projected to be $296 million (total reserves are projected to be $878 million). For 2015-17, the NGF-S + Opportunity Pathways ending fund balance (based on the enacted budget and using the approach defined in statute) is projected to be $20 million; total reserves are projected to be $962 million.

2013-15 Balance Sheet

Including The Enacted 2014 Supplemental Budget (ESSB 6002)

General Fund-State, Education Legacy Trust, and Opportunity Pathways Accounts (and Budget Stabilization Account)

Dollars In Millions

	2013-15
RESOURCES	
Beginning Fund Balance	**156.4**
November 2013 Forecast	33,576.4
February 2014 Forecast Update	60.4
Transfer to Budget Stabilization Account	(312.2)
Other Enacted Fund Transfers	417.7
Alignment to the Comprehensive Financial Statements	40.8
2014 Supplemental Changes	
Fund Transfers & Redirections (Net)	**27.0**
Revenue Legislation & Budget Driven Revenue (Net)	**4.9**
Impact of Governor Vetoes & Lapses	**(21.0)**
Total Resources (including beginning fund balance)	**33,950.4**
EXPENDITURES	
2013-15 Enacted Budget	
Enacted Budget	33,631.3
Early Action/Aerospace (Fall 2013)	10.5
Anticipated Reversions	(140.0)
2014 Supp: Maintenance Level Changes	**89.2**
2014 Supp: Policy Changes	**60.7**
2014: Appropriations in Other Legislation	**5.2**
2014: Impact of Governor Vetoes & Lapses	**(2.8)**
Total Expenditures	**33,654.1**
RESERVES	
Projected Ending Balance	**296.3**
Budget Stabilization Account Beginning Balance	269.7
Transfer from General Fund and Interest Earnings	312.9
Projected Budget Stabilization Account Ending Balance	**582.5**
Total Reserves (Near General Fund plus Budget Stabilization)	**878.8**

Fund Transfers, Revenue Legislation and Budget Driven Revenues

Dollars In Millions

Fund Transfers/Redirections to Education Legacy Trust Account	**FY 2014**	**FY 2015**	**2013-15**
Unclaimed Lottery Prizes	4.000	-	4.000
Life Sciences Discovery Fund[1]	0.600	19.415	20.015
Subtotal	4.600	19.415	24.015
Fund Transfers To GFS			
Energy Freedom Account[1]	0.500	0.500	1.000
Business & Professions	1.000	1.000	2.000
Subtotal	**1.500**	**1.500**	**3.000**
Legislation, Budget Driven & Other (General Fund Unless Otherwise Noted)			
ESHB 1287: Indian tribes/property tax	-	0.048	0.048
SHB 2146: L&I Appeal Bonds		(0.005)	(0.005)
SB 5630: Unpaid Wage Collection		(0.025)	(0.025)
SB 6505: Marijuana Industry Tax Preference	-	2.725	2.725
Revision to Child and Family Reinvestment Account	2.144	1.699	3.843
Budget Driven: Liquor Excise Distribution (Local Government) [2]	(4.611)	(4.806)	(9.417)
Budget Driven: DNR PILT Correction	(0.154)	-	(0.154)
Budget Driven: Liquor Control Board	4.195	3.683	7.878
Subtotal	**1.574**	**3.319**	**4.893**
Total As Passed Legislature	**7.674**	**24.234**	**31.908**
Impact of Vetoes (Life Sciences Discovery & Energy Freedom Acct)	**(1.100)**	**(19.915)**	**(21.015)**
Total Enacted Budget	**6.574**	**4.319**	**10.893**

Notes:

(1) Transfer was vetoed by the Governor.

(2) As part of the 2013-15 budget, the legislature intended to transfer $24.7 million to the General Fund-State (based on the March 2013 revenue forecast). Because of a drafting error in the underlying budget, the amount expected to actually be transferred is estimated to be $34.0 million. This corrects that error.

2013-15 Washington State Budget

Appropriations Contained Within Other Legislation

(Dollars in Thousands)

Bill Number and Subject	Session Law	Agency	GF-S	Total
2014 Legislative Session				
SSB 6129 K-12 - Paraeducator Develop	C 136 L 14 PV	Public Schools	150	150
SB 6523 Real Hope Act	C 1 L 14	Student Achievement Council	5,000	5,000
Changes to ESSB 5912 contained in ESSB 6002 (Omnibus Operating Budget)				
ESSB 6002 Omnibus Operating Budget	C 221 L 14 PV	WA Traffic Safety Commission	-982	-982
		Criminal Justice Training Commission	352	352
		Special Approps to the Governor	630	630
November 2013 Legislative Session				
EHB 2088 Aerospace Industry Approps	C 1 L 13 E3	Department of Commerce	2,000	2,000
		Community & Technical Colleges	8,500	8,500
2013 Legislative Session				
E2SSB 5912 Driving Under the Influence	C 35 L 13	WA Traffic Safety Commission	982	982
		Special Approps to the Governor	2,542	2,542
		Department of Corections	222	222
		DSHS - Alcohol & Substance Abuse	1,237	2,715

Note: Appropriations in other legislation made in the 2013 legislative session are incorporated in the 2013-15 original appropriation amounts.

Revenues

The February 2014 forecast for the Near General Fund-State and Opportunities Pathways Account is $33.6 billion for the 2013-15 biennium and $36.3 billion for the 2015-17 biennium. Since the adoption of the 2013-15 biennial budget in June of 2013, the 2013-15 forecast for the Near General Fund-State and Opportunities Pathways Account has increased by $0.4 billion. The net total of all the revenue-related bills during the 2014 legislative session was just over a $2.7 million increase.

There were few tax related bills enacted during the 2014 session in comparison to past years. The most significant bill in terms of fiscal impact was Chapter 140, Laws of 2014 (SB 6505), which eliminated the ability of marijuana producers, processors, or retailers to take advantage of over 30 tax preferences. As a result of Initiative 502, which legalized recreational marijuana, these marijuana-related businesses will start receiving licenses to operate during the first six months of 2014. The bill raises $2.7 million in fiscal year 2015.

There were eight bills that dealt with various property tax related issues during the 2014 session. A more detailed description of the legislation can be found on the following pages.

November 2013 Special Session

On November 7, 2013, Governor Inslee called the Legislature back into session to pass several bills to help ensure that Boeing's new 777X and composite wing will be built in Washington State. As part of the package of bills passed by the Legislature during the special session, Chapter 2, Laws of 2013, 3rd sp.s (ESSB 5952) extends the expiration date of aerospace industry tax exemptions by 16 years to 2040. The legislation is estimated to decrease state sales tax revenues by $9 million in the 2015-17 biennium and decrease state revenues by approximately $9 billion from fiscal year 2025 through fiscal year 2040.

2014 Revenue Legislation

Near General Fund-State and Opportunity Pathways Account

Dollars in Millions

Bill Number	Brief Title	2013-15
SB 6505	Marijuana industry/tax prefs	2.7
ESHB 1287	Indian tribes/property tax	0.0
SHB 1634	Property tax levy limit	0.0
SHB 2309	Property taxes, payment of	0.0
HB 2446	Property tax refund order	0.0
E2SHB 2493	Land use/horticulture	0.0
SB 6180	Forest lands & timber lands	0.0
2SSB 6330	Housing/urban growth areas	0.0
SSB 6333	Tax statutes	0.0
SB 6405	Nonprofit tax-exempt proprty	0.0
2SHB 2457	Derelict & abandoned vessels	0.0
ESSB 6440	Natural gas/fuel taxes	0.0
SHB 2146	L&I appeal bonds	0.0
SSB 5360	Unpaid wages collection	0.0
	Total	2.7

Revenue Legislation

The legislation listed below is a summary of bills passed during the 2014 session that affect state revenues or state or local tax statutes but may not cover all revenue-related bills.

EXCLUDING MARIJUANA PRODUCTS FROM EXISTING TAX PREFERENCES - $2.725 MILLION GENERAL FUND-STATE

Chapter 140, Laws of 2014 (SB 6505) clarifies that marijuana, useable marijuana, or marijuana-infused products are not agricultural products and, as such, businesses manufacturing or selling marijuana products do not qualify for tax preferences provided to the agriculture industry. Other tax preferences are also not allowed for the marijuana industry.

EXEMPTING CERTAIN TRIBALLY OWNED LAND FROM PROPERTY TAX - $.048 MILLION GENERAL FUND-STATE INCREASE

Chapter 207, Laws of 2014 (ESHB 1287) exempts property owned by a federally recognized Indian tribe from the property tax if it is used for economic development purposes and is owned by the tribe prior to March 1, 2014. Such land is subject to the leasehold excise tax for private leasehold interests in the land. If there is no private leasehold interest, it is subject to payment in lieu of taxes to the county.

INCLUDING THE VALUE OF SOLAR, BIOMASS, AND GEOTHERMAL FACILITIES IN THE PROPERTY TAX LEVY LIMIT CALCULATION - INDETERMINATE IMPACT TO GENERAL FUND-STATE

Chapter 4, Laws of 2014 (SHB 1634) increases the property tax revenue limit by the value resulting from new solar, biomass, and geothermal facilities that generate electricity.

PAYMENT OF PROPERTY TAXES - NO IMPACT TO GENERAL FUND-STATE

Chapter 13, Laws of 2014 (SHB 2309) requires that interest and penalties for unpaid property tax only apply to the unpaid balance and not the full amount. A county treasurer may accept partial payment of current and delinquent property taxes including penalties and interest. Interest and penalties may be waived on delinquent property taxes paid due to taxpayer error if the delinquent taxes are paid within 30 days.

SIMPLIFYING PROCEDURES FOR OBTAINING A REFUND OF PROPERTY TAXES - NO IMPACT TO GENERAL FUND-STATE

Chapter 16, Laws of 2014 (HB 2446) eliminates the requirement that a taxpayer file a petition for a property tax refund under the following circumstances: (1) an issued by a board of equalization, the State Board of Tax Appeals, or a court of competent jurisdiction; (2) a decision is issued by a county treasurer or assessor justifying the refund upon statutory ground; or (3) a property tax exemption application is approved by a county assessor or the Department of Revenue.

CONCERNING CURRENT USE VALUATION FOR COMMERCIAL HORTICULTURAL PURPOSES - NO IMPACT TO GENERAL FUND-STATE

Chapter 125, Laws of 20147 (E2SHB 2493) allows land on which commercial horticultural plants are grown in containers to qualify for the current use open space farm and agriculture property tax treatment.

CONSOLIDATING DESIGNATED FOREST LANDS AND OPEN SPACE TIMBER - NO IMPACT TO GENERAL FUND-STATE

Chapter 137, Laws of 2014 (SB 6180) allows a county to merge its designated forest land program with its open space timber program.

PROMOTING AFFORDABLE HOUSING IN UNINCORPORATED AREAS OF RURAL COUNTIES WITHIN URBAN GROWTH AREAS - NO IMPACT TO GENERAL FUND-STATE

Chapter 96, Laws of 2014 (2SSB 6330) expands the exemption provided for affordable multi-unit housing for low and moderate-income households in an unincorporated area of an urban growth area, that was designated before January 1, 2013, within a rural county that has a population between 50,000 and 71,000 that borders the Puget Sound and has a sewer service. This exemption expires January 1, 2020.

CONCERNING TAX STATUTE CLARIFICATIONS, SIMPLIFICATIONS, AND TECHNICAL CORRECTIONS - NO IMPACT TO GENERAL FUND-STATE

Chapter 97, Laws of 2014 (SSB 6333) makes several tax statute clarifications, repeals outdated statutes, makes simplifications, and makes technical corrections.

CLARIFYING HOW NONPROFIT TAX-EXEMPT PROPERTY CAN BE USED - INDETERMINATE IMPACT TO GENERAL FUND-STATE

Chapter 99, Laws of 2014 (SB 6405) allows nonprofit tax-exempt property to be rented or used for nonexempt purposes for 50 days if the property is used for profit or to promote business activities for 15 days or less and the rent or donations received for nonexempt purposes do not exceed maintenance or operational costs for that property.

CONCERNING DERELICT AND ABANDONED VESSELS - NO IMPACT TO GENERAL FUND-STATE

Chapter 195, Laws of 2014 (2SHB 2457) addresses many policies regarding derelict and abandoned vessels, including imposing a new fee of one dollar per vessel foot collected by the Department of Revenue at the same time personal property taxes for the vessel are due. Additionally, penalties are imposed on vessels not properly registered at the time the watercraft excise tax is due.

FUEL TAXES AND FEES ON NATURAL GAS - NO IMPACT TO GENERAL FUND-STATE

Chapter 216, Laws of 2014 (ESSB 6440) modifies the taxation of liquefied and compressed natural gas. Liquefied and compressed natural gas sold as transportation fuel is exempt from public utility taxes and instead is taxed under the business and occupation tax. Such fuel is also subject to transportation taxes and fees.

LABOR AND INDUSTRIES APPEAL BONDS - $.005 MILLION GENERAL FUND-STATE DECREASE

Chapter 190, Laws of 2014 (SHB 2146) changes the amount of an appeal bond for contractors to 10 percent of the penalty amount or $200, whichever is less, subject to a $100 minimum.

ADDRESSING THE COLLECTION OF UNPAID WAGES - $.025 MILLION GENERAL FUND-STATE DECREASE

Chapter 210, Laws of 2014 (SSB 5360) allows the Department of Labor and Industries to electronically serve notices of withhold and deliver to financial institutions by providing a list of outstanding warrants to the Department of Revenue.

Washington State Omnibus Operating Budget

2014 Supplemental Budget

TOTAL STATE

(Dollars in Thousands)

	NGF-S + Opportunity Pathways			Total All Funds		
	2013-15	**2014 Supp ***	**Rev 13-15**	**2013-15**	**2014 Supp ***	**Rev 13-15**
Legislative	141,400	-269	141,131	155,455	-268	155,187
Judicial	237,851	4,467	242,318	299,190	11,521	310,711
Governmental Operations	459,114	6,399	465,513	3,499,248	47,985	3,547,233
Other Human Services	6,116,614	91,634	6,208,248	16,764,586	751,829	17,516,415
DSHS	5,787,914	-32,356	5,755,558	11,919,981	127,558	12,047,539
Natural Resources	262,680	7,764	270,444	1,587,441	16,165	1,603,606
Transportation	70,564	-1,215	69,349	181,919	-483	181,436
Public Schools	15,208,877	54,005	15,262,882	17,097,327	118,219	17,215,546
Higher Education	3,073,070	25,178	3,098,248	12,203,622	-3,766	12,199,856
Other Education	204,674	-109	204,565	588,624	4,111	592,735
Special Appropriations	2,068,516	7,300	2,075,816	2,225,073	15,300	2,240,373
Statewide Total	**33,631,274**	**162,798**	**33,794,072**	**66,522,466**	**1,088,171**	**67,610,637**

Note: Includes only appropriations from the Omnibus Operating Budget enacted through the 2014 legislative session and appropriations contained in other legislation shown on page 14.

Washington State Omnibus Operating Budget

2014 Supplemental Budget

LEGISLATIVE AND JUDICIAL

(Dollars in Thousands)

	NGF-S + Opportunity Pathways			Total All Funds		
	2013-15	2014 Supp *	Rev 13-15	2013-15	2014 Supp *	Rev 13-15
House of Representatives	61,864	-131	61,733	63,629	-131	63,498
Senate	44,555	-99	44,456	46,069	-99	45,970
Jt Leg Audit & Review Committee	173	-26	147	6,478	-26	6,452
LEAP Committee	3,464	-34	3,430	3,464	-34	3,430
Office of the State Actuary	0	0	0	3,529	-2	3,527
Office of Legislative Support Svcs	7,370	8	7,378	7,421	8	7,429
Joint Legislative Systems Comm	15,977	61	16,038	15,977	61	16,038
Statute Law Committee	7,997	-48	7,949	8,888	-45	8,843
Total Legislative	**141,400**	**-269**	**141,131**	**155,455**	**-268**	**155,187**
Supreme Court	13,747	94	13,841	13,747	94	13,841
State Law Library	2,949	-8	2,941	2,949	-8	2,941
Court of Appeals	31,376	300	31,676	31,376	300	31,676
Commission on Judicial Conduct	2,062	6	2,068	2,062	6	2,068
Administrative Office of the Courts	101,856	534	102,390	157,941	7,437	165,378
Office of Public Defense	64,129	2,258	66,387	67,929	2,410	70,339
Office of Civil Legal Aid	21,732	1,283	23,015	23,186	1,282	24,468
Total Judicial	**237,851**	**4,467**	**242,318**	**299,190**	**11,521**	**310,711**
Total Legislative/Judicial	**379,251**	**4,198**	**383,449**	**454,645**	**11,253**	**465,898**

Washington State Omnibus Operating Budget

2014 Supplemental Budget

GOVERNMENTAL OPERATIONS

(Dollars in Thousands)

	NGF-S + Opportunity Pathways			Total All Funds		
	2013-15	2014 Supp *	Rev 13-15	2013-15	2014 Supp *	Rev 13-15
Office of the Governor	10,726	14	10,740	14,726	14	14,740
Office of the Lieutenant Governor	1,312	-1	1,311	1,407	-1	1,406
Public Disclosure Commission	4,097	31	4,128	4,097	31	4,128
Office of the Secretary of State	20,891	362	21,253	80,900	1,290	82,190
Governor's Office of Indian Affairs	501	-2	499	501	-2	499
Asian-Pacific-American Affrs	420	-2	418	420	-2	418
Office of the State Treasurer	0	0	0	14,924	-52	14,872
Office of the State Auditor	1,461	48	1,509	75,841	-68	75,773
Comm Salaries for Elected Officials	312	-4	308	312	-4	308
Office of the Attorney General	20,588	1,234	21,822	228,251	15,641	243,892
Caseload Forecast Council	2,490	0	2,490	2,490	0	2,490
Dept of Financial Institutions	0	0	0	47,883	77	47,960
Department of Commerce	123,227	3,713	126,940	515,885	3,916	519,801
Economic & Revenue Forecast Council	1,566	-3	1,563	1,616	-3	1,613
Office of Financial Management	35,956	-475	35,481	119,926	5,338	125,264
Office of Administrative Hearings	0	0	0	37,822	239	38,061
State Lottery Commission	0	0	0	810,516	-89	810,427
Washington State Gambling Comm	0	0	0	29,984	-15	29,969
WA State Comm on Hispanic Affairs	473	0	473	473	0	473
African-American Affairs Comm	457	14	471	457	14	471
Department of Retirement Systems	0	0	0	57,297	-148	57,149
State Investment Board	0	0	0	36,035	-68	35,967
Innovate Washington	0	0	0	3,377	6	3,383
Department of Revenue	214,286	-660	213,626	253,027	-739	252,288
Board of Tax Appeals	2,395	-18	2,377	2,395	-18	2,377
Minority & Women's Business Enterp	0	0	0	4,077	-78	3,999
Office of Insurance Commissioner	400	127	527	55,126	210	55,336
Consolidated Technology Services	0	0	0	230,197	-111	230,086
State Board of Accountancy	0	0	0	2,699	-19	2,680
Forensic Investigations Council	0	0	0	498	0	498
Dept of Enterprise Services	7,282	2,242	9,524	451,353	1,296	452,649
Washington Horse Racing Commission	0	0	0	5,724	-116	5,608
WA State Liquor Control Board	0	0	0	66,998	-528	66,470
Utilities and Transportation Comm	0	0	0	52,620	-67	52,553
Board for Volunteer Firefighters	0	0	0	1,044	-85	959
Military Department	3,726	-253	3,473	273,568	21,964	295,532
Public Employment Relations Comm	4,013	38	4,051	7,834	57	7,891
LEOFF 2 Retirement Board	0	0	0	2,249	8	2,257
Archaeology & Historic Preservation	2,535	-6	2,529	4,699	97	4,796
Total Governmental Operations	**459,114**	**6,399**	**465,513**	**3,499,248**	**47,985**	**3,547,233**

Washington State Omnibus Operating Budget

2014 Supplemental Budget

HUMAN SERVICES

(Dollars in Thousands)

	NGF-S + Opportunity Pathways			Total All Funds		
	2013-15	2014 Supp *	Rev 13-15	2013-15	2014 Supp *	Rev 13-15
WA State Health Care Authority	4,245,757	60,973	4,306,730	12,448,344	722,901	13,171,245
Human Rights Commission	4,073	13	4,086	6,258	-1	6,257
Bd of Industrial Insurance Appeals	0	0	0	39,536	-170	39,366
Criminal Justice Training Comm	28,416	533	28,949	40,680	1,854	42,534
Department of Labor and Industries	34,683	196	34,879	656,795	3,478	660,273
Department of Health	119,428	1,233	120,661	1,043,149	-2,501	1,040,648
Department of Veterans' Affairs	14,674	247	14,921	132,503	-13,372	119,131
Department of Corrections	1,665,144	28,471	1,693,615	1,686,929	28,730	1,715,659
Dept of Services for the Blind	4,439	-32	4,407	27,488	-164	27,324
Employment Security Department	0	0	0	682,904	11,074	693,978
Total Other Human Services	**6,116,614**	**91,634**	**6,208,248**	**16,764,586**	**751,829**	**17,516,415**

Washington State Omnibus Operating Budget

2014 Supplemental Budget

DEPARTMENT OF SOCIAL & HEALTH SERVICES

(Dollars in Thousands)

	NGF-S + Opportunity Pathways			Total All Funds		
	2013-15	2014 Supp *	Rev 13-15	2013-15	2014 Supp *	Rev 13-15
Children and Family Services	594,317	1,617	595,934	1,104,082	3,023	1,107,105
Juvenile Rehabilitation	180,222	-1,939	178,283	189,047	-1,942	187,105
Mental Health	916,582	25,109	941,691	1,724,299	135,983	1,860,282
Developmental Disabilities	1,075,071	17,324	1,092,395	2,082,080	32,895	2,114,975
Long-Term Care	1,792,846	-18,664	1,774,182	3,848,450	-28,323	3,820,127
Economic Services Administration	807,523	-60,806	746,717	2,049,891	-26,362	2,023,529
Alcohol & Substance Abuse	135,742	2,051	137,793	444,040	6,355	450,395
Vocational Rehabilitation	32,937	-5,286	27,651	132,350	-5,302	127,048
Administration/Support Svcs	59,460	-1,374	58,086	97,264	-1,457	95,807
Special Commitment Center	72,233	2,055	74,288	72,233	2,055	74,288
Payments to Other Agencies	120,981	7,557	128,538	176,245	10,633	186,878
Total DSHS	**5,787,914**	**-32,356**	**5,755,558**	**11,919,981**	**127,558**	**12,047,539**
Total Human Services	**11,904,528**	**59,278**	**11,963,806**	**28,684,567**	**879,387**	**29,563,954**

Washington State Omnibus Operating Budget

2014 Supplemental Budget

NATURAL RESOURCES

(Dollars in Thousands)

	NGF-S + Opportunity Pathways			Total All Funds		
	2013-15	2014 Supp *	Rev 13-15	2013-15	2014 Supp *	Rev 13-15
Columbia River Gorge Commission	891	1	892	1,796	2	1,798
Department of Ecology	51,435	-428	51,007	458,113	1,540	459,653
WA Pollution Liab Insurance Program	0	0	0	1,587	7	1,594
State Parks and Recreation Comm	8,508	178	8,686	128,452	2,651	131,103
Rec and Conservation Funding Board	1,638	98	1,736	9,855	348	10,203
Environ & Land Use Hearings Office	4,374	-13	4,361	4,374	-13	4,361
State Conservation Commission	13,579	-52	13,527	16,880	-2	16,878
Dept of Fish and Wildlife	59,320	1,521	60,841	374,747	737	375,484
Puget Sound Partnership	4,734	91	4,825	18,900	102	19,002
Department of Natural Resources	87,607	5,742	93,349	418,580	11,100	429,680
Department of Agriculture	30,594	626	31,220	154,157	-307	153,850
Total Natural Resources	**262,680**	**7,764**	**270,444**	**1,587,441**	**16,165**	**1,603,606**

Washington State Omnibus Operating Budget

2014 Supplemental Budget

TRANSPORTATION

(Dollars in Thousands)

	NGF-S + Opportunity Pathways			Total All Funds		
	2013-15	2014 Supp *	Rev 13-15	2013-15	2014 Supp *	Rev 13-15
Washington State Patrol	67,138	-240	66,898	138,577	658	139,235
WA Traffic Safety Commission	982	-982	0	982	-982	0
Department of Licensing	2,444	7	2,451	42,360	-159	42,201
Total Transportation	**70,564**	**-1,215**	**69,349**	**181,919**	**-483**	**181,436**

Washington State Omnibus Operating Budget

2014 Supplemental Budget

PUBLIC SCHOOLS

(Dollars in Thousands)

	NGF-S + Opportunity Pathways			Total All Funds		
	2013-15	2014 Supp *	Rev 13-15	2013-15	2014 Supp *	Rev 13-15
OSPI & Statewide Programs	53,305	1,084	54,389	127,657	8,159	135,816
General Apportionment	11,305,188	60,627	11,365,815	11,305,188	60,627	11,365,815
Pupil Transportation	792,528	1,832	794,360	792,528	1,832	794,360
School Food Services	14,222	0	14,222	632,560	28,000	660,560
Special Education	1,486,343	-3,955	1,482,388	1,948,365	10,145	1,958,510
Educational Service Districts	16,294	-49	16,245	16,294	-49	16,245
Levy Equalization	646,707	5,619	652,326	646,707	5,619	652,326
Elementary/Secondary School Improv	0	0	0	4,052	250	4,302
Institutional Education	30,784	-2,852	27,932	30,784	-2,852	27,932
Ed of Highly Capable Students	19,232	-8	19,224	19,232	-8	19,224
Education Reform	227,963	-10,489	217,474	438,199	1,083	439,282
Transitional Bilingual Instruction	201,620	6,260	207,880	272,636	7,360	279,996
Learning Assistance Program (LAP)	414,691	-5,086	409,605	863,125	-2,986	860,139
Washington Charter School Comm	0	1,022	1,022	0	1,039	1,039
Total Public Schools	**15,208,877**	**54,005**	**15,262,882**	**17,097,327**	**118,219**	**17,215,546**

Washington State Omnibus Operating Budget

2014 Supplemental Budget

EDUCATION

(Dollars in Thousands)

	NGF-S + Opportunity Pathways			Total All Funds		
	2013-15	2014 Supp *	Rev 13-15	2013-15	2014 Supp *	Rev 13-15
Student Achievement Council	683,457	42,591	726,048	724,990	42,850	767,840
University of Washington	506,095	-5,562	500,533	6,359,033	-29,461	6,329,572
Washington State University	348,312	-3,344	344,968	1,404,880	-3,978	1,400,902
Eastern Washington University	78,763	-628	78,135	297,749	-1,318	296,431
Central Washington University	78,328	-32	78,296	325,152	-82	325,070
The Evergreen State College	41,512	-340	41,172	130,596	-388	130,208
Western Washington University	101,969	-1,212	100,757	368,287	-1,717	366,570
Community/Technical College System	1,234,634	-6,295	1,228,339	2,592,935	-9,672	2,583,263
Total Higher Education	**3,073,070**	**25,178**	**3,098,248**	**12,203,622**	**-3,766**	**12,199,856**
State School for the Blind	11,837	-110	11,727	13,818	1,954	15,772
Childhood Deafness & Hearing Loss	17,206	80	17,286	17,774	80	17,854
Workforce Trng & Educ Coord Board	3,060	-80	2,980	57,839	498	58,337
Department of Early Learning	162,942	-1	162,941	482,645	1,570	484,215
Washington State Arts Commission	2,226	-40	2,186	4,312	-26	4,286
Washington State Historical Society	4,273	-10	4,263	6,574	-14	6,560
East Wash State Historical Society	3,130	52	3,182	5,662	49	5,711
Total Other Education	**204,674**	**-109**	**204,565**	**588,624**	**4,111**	**592,735**
Total Education	**18,486,621**	**79,074**	**18,565,695**	**29,889,573**	**118,564**	**30,008,137**

Washington State Omnibus Operating Budget

2014 Supplemental Budget

SPECIAL APPROPRIATIONS

(Dollars in Thousands)

	NGF-S + Opportunity Pathways			Total All Funds		
	2013-15	2014 Supp *	Rev 13-15	2013-15	2014 Supp *	Rev 13-15
Bond Retirement and Interest	1,846,874	1,042	1,847,916	2,003,431	9,042	2,012,473
Special Approps to the Governor	90,142	-3,975	86,167	90,142	-3,975	86,167
Sundry Claims	0	233	233	0	233	233
State Employee Compensation Adjust	-10,000	10,000	0	-10,000	10,000	0
Contributions to Retirement Systems	141,500	0	141,500	141,500	0	141,500
Total Special Appropriations	**2,068,516**	**7,300**	**2,075,816**	**2,225,073**	**15,300**	**2,240,373**

Legislative

Appropriations for legislative agencies did not authorize any ongoing program enhancements.

Superior Court Case Management System

An additional $5.3 million from the Judicial Information Systems Account is provided on a one-time basis in the Administrative Office of the Courts (AOC) to continue implementation of the new commercial off-the-shelf (COTS) case management system for the superior courts. Total funding for the project in the 2013-15 biennium is $16.6 million from the Judicial Information Systems Account. The AOC must develop a revised charter for the Superior Court Case Management System Steering Committee, which will continue to provide oversight of the project. Voting members of the Steering Committee must be from AOC and those courts that have implemented, or have committed to implement, the statewide superior court vendor solution as selected by the Judicial Information Systems Committee.

Appellate Court Case Management System

An additional $1.1 million from the Judicial Information Systems Account is provided in the AOC to acquire a COTS Enterprise Content Management System (ECMS) and the services required to implement, validate, and deploy the ECMS in the Supreme Court and the three divisions of the Court of Appeals. Total funding for the project in the 2013-15 biennium is $1.4 million from the Judicial Information Systems Account.

Child Dependency Representation Program

A total of $1 million is provided in the Office of Civil Legal Aid to implement Chapter 108, Laws of 2014 (E2SSB 6126), which requires a court to appoint an attorney for a child in a dependency proceeding six months after granting a petition to terminate the parent and child relationship and when there is no remaining parent with parental rights. The state may pay the cost of the legal services under certain conditions. The provided funding will pay a portion of the county's cost to provide legal services to eligible children.

Parents Representation Program

The Parents Representation Program in the Office of Public Defense (OPD) funds contract attorneys for indigent parents in dependency and parental termination cases. A total of $1.9 million is provided on a one-time basis for the anticipated increase in case filings related to the Department of Social and Health Services Child Permanency Initiative. OPD assumes that increased filings will require legal services for an additional 556 parents.

Governmental Operations

Department of Commerce

The Department of Commerce administers a variety of state programs focused on enhancing and promoting sustainable community and economic vitality in Washington. In the November 2013 third special session, $2 million General Fund-State funding was provided for grants to local governments to reduce environmental review costs related to the permitting of aerospace and other large manufacturing sites. Additionally, $5 million from the State Building Construction Account-State was provided for the construction of the Renton Aerospace Training Center.

In the 2014 supplemental budget, General Fund-State funding is increased by $506,000 to provide additional naturalization services to legal permanent residents through the New Americans Program and to improve access of adult family home and assisted living residents to the Long-Term Care Ombuds Program.

Innovate Washington

Chapter 174, Laws of 2014 (E2SSB 6518) eliminates Innovate Washington as a state agency, and its real property is assigned and transferred to Washington State University effective June 12, 2014. Authority over the Investing in Innovation Account is transferred from Innovate Washington to the Department of Commerce, which may use the funds to administer the Innovate Washington Program created in the Department of Commerce until June 30, 2015.

Liquor Control Board

Funding is provided to the Liquor Control Board (LCB) to continue implementation efforts related to Initiative 502 (an act relating to marijuana). The funding is for LCB to acquire and maintain information technology systems related to: licensing producers, processors, and retailers; tracking marijuana from seed-to-sale; and collecting and reporting information related to excise taxes.

Additionally, funding is provided for the LCB to hire enforcement officers and fiscal and audit staff. Enforcement officers will address public safety concerns, including product theft and under age consumption. Audit staff will conduct financial audits of Initiative 502 producers, processors, and retailers.

Attorney General

An additional $3.4 million in expenditure authority from the Legal Services Revolving Account-State is provided to adjust salaries of assistant attorneys general in the first six years of their employment to address recruitment and retention issues. State agency appropriations are increased to fund the salary adjustments that will be included in billings for legal services.

Office of the Chief Information Officer

Development of a one-stop business portal to allow businesses to interact with the state through a single online resource is continued at the Office of the Chief Information Officer. Funding of $737,000 is provided from the Data Processing Revolving Account-Non-Appropriated through central service charges to eight state agencies with which businesses will primarily interact through the portal.

Department of Enterprise Services

Certificate of Participation authority is increased from $10 million to $13.5 million for the Department of Enterprise Services (DES) time, leave, and attendance pilot project to reflect updated cost estimates of project components that may be financed. Implementation of this enterprise system is expected to be completed within the 2013-15 biennium at a revised estimated cost of $18.7 million.

To facilitate the purchase of electricity from in-state alternative power sources for use by state agencies, $2.3 million in one-time General Fund-State is provided to DES. DES may solicit proposals from local utilities that currently serve state operations for such purchases.

Office of Minority and Women's Business Enterprises

Expenditure authority is increased by $539,000 for payments to the Office of the Attorney General and the Office of Administrative Hearings. Appeals of denied applications and decertification actions have increased, requiring additional expenditures for administrative hearings and legal representation.

Human Services

The Human Services section is separated into two sections: the Department of Social and Health Services (DSHS) and Other Human Services. The DSHS budget is displayed by program division to most efficiently describe the costs of particular services provided by DSHS. The Other Human Services section displays budgets at the agency level and includes the Department of Corrections, Employment Security Department, Department of Veterans' Affairs, Department of Labor and Industries, Criminal Justice Training Commission, Department of Health, and other human services related agencies.

Children's Administration

The Department of Social and Health Services (DSHS) Children's Administration (CA) administers Child Protective Services, which responds to reports of child abuse or neglect through investigations or Family Assessment Response (FAR). CA also administers the foster care system for children in out-of-home placements with caregivers and the adoption support program for special needs children adopted from state foster care. Additionally, CA contracts for a variety of prevention services, early intervention services, and services to children and families involved in the child welfare system. A total of $1.1 billion ($596 million General Fund-State) is provided for services to children and families. This represents a $3 million increase (0.3 percent) in total funds from amounts appropriated in the 2013-15 biennial budget.

A total of $3.9 million ($1.9 million General Fund-State) is provided for a federally-required evaluation of FAR and for information technology modifications to CA's Famlink system.

The 2014 supplemental operating budget also provides a total of $1.9 million ($1.6 million General Fund-State) to CA for base rate increases and a tiered reimbursement pilot for family home and center child care providers. This includes $1.3 million General Fund-State ($934,000 for centers and $381,000 for family home providers as part of the collective bargaining agreement) to increase base rates for child care providers serving children in child welfare-involved families or in the care of employed foster parents. The remaining $329,000 General-Fund State is provided to implement a tiered reimbursement pilot project for child care providers.

Mental Health

Mental health services for those living with severe, chronic, or acute mental illnesses are administered primarily through DSHS. These services include operation of two adult state hospitals that deliver psychiatric treatment to clients on civil or forensic commitment orders and for the Child Study Treatment Center, which is a small psychiatric inpatient facility for children and adolescents. In addition, DSHS contracts with 11 Regional Support Networks (RSNs) as local administrative entities to coordinate crisis response, community support, and residential and resource management services through a network of community providers. Services for Medicaid-eligible consumers within each RSN are provided through a capitated Prepaid Inpatient Health Plan. Limited services that cannot be reimbursed through the Medicaid program are provided within available state and local resources.

A total of $1.9 billion ($941.7 million General Fund-State) is provided for operation of the public mental health system during the 2013-15 biennium. This is an increase of $136 million in total funds (8 percent) from the amount originally appropriated for the biennium. Approximately $102.6 million of this change ($3.1 million General Fund-State) is due to technical adjustments to the number of people expected to qualify for Medicaid-funded services, higher than expected capitation rates developed by actuaries for newly eligible clients receiving services through the Patient Protection and Affordable Care Act (ACA) Medicaid expansion, and a technical correction to reflect the proper payment methodology for the purchase of an electronic medical record system that was authorized in the underlying budget. There was an additional increase of $36.7 million in total funds ($25 million General Fund-State) for policy changes not related to state employee compensation as follows:

- $15.5 million in total funds ($8.2 million General Fund-State) is provided to develop infrastructure and provide for a phased implementation of statewide intensive mental health services for high needs youth in accordance with commitments in the *T.R. v. Dreyfus and Porter* Settlement Agreement (Settlement Agreement). Of the funded amount, $1.2 million previously provided for children's wraparound pilot projects is repurposed toward the costs of phasing in the statewide Wraparound with Intensive Services (WISe) program as specified in the Settlement Agreement.
- An increase of $11.9 million in total funds ($7.3 million General Fund-State) is provided for a variety of community enhancements, including operating funds for an evaluation and treatment facility in three RSNs, program of assertive community treatment teams in three RSNs, and recovery supportive service teams in three RSNs.
- A one-time restoration of $4.5 million General Fund-State is provided to help RSNs facilitate the transition of non-Medicaid clients to Medicaid eligibility and to develop Medicaid resources to serve the expanded Medicaid eligible population related to the ACA implementation.
- An increase of $3.1 million in total funds ($1.5 million General-Fund State) is provided for staffing and actuarial work required for implementation of Chapter 225, Laws of 2014 (2SSB 6312) and Chapter 71, Laws of 2014 (ESHB 2315). Requirements of these two bills include (i) integration of mental health and chemical dependency services by April 1, 2016; (ii) support for counties that wish to become early adopters of health and behavioral health integration; and (iii) development of a plan to create a pilot project to support primary care providers in the assessment and treatment of adults with mental or other behavioral health disorders.
- An increase of $2.9 million in total funds ($4.6 million General Fund-State) is provided for the state hospitals, primarily to assist with projected over-expenditures driven by increases in overtime at Eastern and Western State hospitals and to support staff training related to a new electronic medical records system that must be implemented by October 1, 2014.

Aging and Disabilities Services Programs (Developmental Disabilities and Long-Term Care)

Within DSHS, the Developmental Disabilities Administration administers the Developmental Disabilities (DD) program, and the Aging and Long-Term Support Administration administers the Long-Term Care (LTC) program. These programs provide long-term supports and services to vulnerable adults and children in residential, community, and in-home settings. While these programs serve two distinct populations, they are both institutionally-based Medicaid "entitlement" programs with options for home and community services that share some vendors including represented homecare workers and adult family homes. The entitlement program in LTC is the nursing home or skilled nursing facility program. The entitlement program in DD is the state-operated Residential Habilitation Centers (RHCs). Total funding for these two programs combined is approximately $5.9 billion ($2.9 billion General Fund-State) in budgeted expenditures for the 2014 supplemental budget. Funding remained relatively flat from the 2013-15 operating budgeted level resulting in less than a 1 percent increase.

The 2014 supplemental budget includes the following items (which impact both programs):

- A total of $706,000 ($364,000 General Fund-State) is provided pursuant to Chapter 166, Laws of 2014 (ESHB 2746) for staffing costs necessary to refinance personal care services under the Community First Choice Option (CFCO) by August 30, 2015. Because CFCO earns an enhanced 6 percent federal match, approximately $160 million General Fund-State will be freed up per biennium from this refinance. Of that amount, approximately $84 million will be reinvested into the CFCO benefit design. Pursuant to Chapter 139, Laws of 2014 (SSB 6387) some of the additional savings from CFCO must be used as a cost offset for services to 5,000 individuals with developmental disabilities who have requested a service and are waiting because there are no available service slots. After paying for the new service slots for individuals with

developmental disabilities, the refinance to CFCO is expected to result in a net savings of approximately $49 million General Fund-State in the 2015-17 biennium.
- A one-time savings of $13.2 million total ($3.2 million General Fund-State) results from a six-month delay in implementation of the provider compensation system.

The following items from the 2013-15 operating budget are unique to each program and are therefore described separately:

Developmental Disabilities

- A total of $5.9 million ($3 million General Fund-State) is provided for a vendor rate increase of approximately 2 percent for residential providers of services to people with developmental disabilities.
- A total of $2.2 million ($738,000 General Fund-State) is provided for additional staff to perform Preadmission Screening and Resident Review (PASRR) for 225 nursing home clients in RHCs and for 320 clients with developmental disabilities in community nursing facilities. On November 7, 2013, the federal Center for Medicare and Medicaid Services (CMS) found the state in violation of rules for PASRR and issued a potential disallowance unless corrective action was taken.
- A one-time savings of $2.4 million total ($2.2 million General Fund-State) is achieved in fiscal year 2014 due to unfilled vacancies in field services and lower than expected utilization in the employment services program.

Long Term Care

A total of $45.4 million is provided in Skilled Nursing Facility Net Trust Account-State funds and federal matching funds for an increase in nursing home rates of $7.24 per Medicaid patient day. This assessment fee is increased from $14 per patient day to $21 per patient day beginning July 1, 2014. Assessment revenue and federal matching funds are used to increase the low-wage worker add-on and to provide new rate add-ons for direct care, support services, and therapy care.

Economic Services Administration

The Economic Services Administration (ESA) operates a variety of programs for low-income persons and families. These programs include the federal Supplemental Nutritional Assistance Program (SNAP), the State Food Assistance Program, the Aged, Blind, or Disabled Assistance Program, the WorkFirst/Temporary Assistance for Needy Families Program (TANF) Program, and assistance to refugees. ESA also determines eligibility for a variety of state assistance programs, including Medicaid for certain classic clients and the Working Connections Child Care (WCCC) Program.

A total of $2 billion ($746.7 million General Fund-State) is provided to ESA for administration of programs and delivery of services. This reflects a reduction in total funds of $26.4 million (1.3 percent decrease) from the appropriated amount in the underlying 2013-15 biennial budget for services and activities.

State general fund savings of $77.8 million are achieved through forecasted caseload reductions in the WorkFirst/TANF Assistance Program, the WCCC Program, and a one-time use of the Administrative Contingency account and federal contingency funds to offset state expenditures. Other major policy changes for these programs include a base rate increase for WCCC providers, including family homes and child care centers ($16.6 million General Fund-State). Additionally, $5.8 million is provided for implementation of policy changes to the WorkFirst program.

Major policy changes in other programs include:

- In accordance with Chapter 218, Laws of 2014 (SB 6573), the disability standard applied by DSHS in making disability determinations for the Aged, Blind, or Disabled Assistance program is modified on July 1, 2014, rather than July 1, 2015, reducing the General Fund-State by $850,000.
- $1.4 million in total funds ($521,000 General Fund-State) is provided to ESA to increase staffing in its call center, which handles eligibility and client inquiries. ESA will ramp up in staffing to reach 40 additional FTEs over fiscal year 2015.
- As the Patient Protection and Affordable Care Act is implemented, the cost sharing for eligibility related work is shifting as the eligibility process has changed. Adjustments are made to the funding sources for eligibility related work.
- Funding $16.7 million ($1.4 million General Fund-State) is provided to continue modification of the client eligibility information technology (IT) system and $3.3 million ($1.5 million General Fund-State) for disaster recovery for the IT system.

Payments to Other Agencies

The 2014 supplemental budget provides $4.1 million total ($3.2 million General Fund-State) to DSHS for additional Attorney General's Office services in cases involving child dependency and termination of parental rights. These services are anticipated to support DSHS's efforts to establish permanent living situations for children who cannot safely reunify with their families.

Low-Income Medical Assistance

A total of $13.1 billion is provided to pay for medical and dental services for an average of 1.5 million low-income children and adults each month by the end of the 2013-15 biennium. This is a $721.6 million (6 percent) increase from the original 2013-15 biennial appropriations for these services. Of the $13.1 billion, $5.0 billion are state funds; $7.9 billion are federal funds, primarily from Medicaid; and the rest are local government funds provided for purposes of collecting Medicaid matching funds. Of the $5.0 billion in state funds, $4.3 billion is from the state general fund and $669 million is from the Hospital Safety Net Assessment Fund created in 2010. The state general fund spending is $61 million (1.4 percent) more than the 2013-2015 biennium, but $38 million less than the amount needed to maintain current service coverage and payment policies through 2015.

Savings of $4.3 million in state general funds is achieved by restoring coverage to women under the Breast and Cervical Cancer Treatment program starting April 1, 2014. The cost of restoring Medicaid coverage for clients with incomes above 133 percent of the federal poverty level is less than the cost of maintaining state-only coverage for clients that were already enrolled as of January 1, 2014.

The state general fund appropriation is reduced by $13.5 million to reflect estimated savings achieved through the implementation of Chapter 225, Laws of 2014 (2SSB 6312), Chapter 223, Laws of 2014 (E2SHB 2572), and reduced managed care growth trends. In combination, these initiatives will alter how the state purchases health care. The bills achieve savings through the integration of mental health and chemical dependency treatment, better chronic disease management, more transparency, payment reform, obesity reduction, other prevention activities, and reduced C-sections. The Health Care Authority (HCA) will further work directly with managed care plans to reduce growth trends through service delivery model changes that reduce costs.

A total of $16.6 million ($3.1 million in state funds) is provided to implement changes to the ProviderOne system related to completing Phase II and implementing the Affordable Care Act (ACA). Funding is specifically provided to complete the transition of long-term care providers to the ProviderOne system, make federally required security enhancements, implement the Modified Adjusted Gross Income methodology, and allow Medicaid clients to select the Medicaid managed care organization of their choice within the Washington Healthplanfinder online marketplace.

One million dollars in state funds is provided for other program enhancements. These include:

- $561,000 for HCA to reimburse for autism screenings provided to children at the age of 18 months beginning July 1, 2014,
- $306,000 to implement Chapter 70, Laws of 2014 (SHB 2310), which directs the Department of Social and Health Services and HCA to assist Medicaid clients in accessing gloves as part of their benefits for use by their individual providers, and
- $216,000 to implement Chapter 57, Laws of 2014 (SSB 5859), which increases hospital payment rates to sole community hospitals that meet certain criteria effective January 1, 2015.

Department of Health

The Department of Health (DOH) has a total budget of $1 billion ($120.7 million General Fund-State) to provide educational and health care services, administer a variety of health care licensure programs, regulate drinking water and commercial shellfish production, respond to infectious disease outbreaks, support local public health jurisdictions, and operate the state's public health laboratory.

The budget provides $1.5 million in state funds, on a one-time basis, to increase tobacco, marijuana, and e-cigarette prevention activities aimed at youth and populations with a high incidence of smoking. Future funding for DOH tobacco and e-cigarette prevention programs will be based on findings in the Washington State Institute of Public Policy report due December 31, 2014.

The budget also provides $350,000 in one-time state funds for DOH to partner with the Office of the Superintendent of Public Instruction, Department of Early Learning, and other public and private entities to increase physical activity and access to healthy foods and drinking water among children as part of Washington's Healthiest Next Generation Initiative.

Department of Corrections

A total of $1.7 billion is provided to the Department of Corrections (DOC) for prisons and community supervision of offenders for the 2013-15 biennium. The prison system is budgeted to provide monthly average incarceration for 17,636 prison and work release inmates and 604 offenders who have violated the terms of their community supervision. The community program is budgeted to provide supervision to a monthly average of 15,880 offenders who have either received sentencing alternatives or have served their sentences and have been released into the community. The DOC funded level represents an increase of $28.7 million (1.7 percent) from the enacted 2013-15 budget, and a decrease of $6.6 million (0.4 percent) from the revised 2013-15 maintenance level.

A total of $5.4 million is provided to meet the increase in demand for prison beds based on continuing forecasted increases of both male and female offenders:

- The second new medium security unit is opened at the Washington State Penitentiary at a cost of $4.2 million. This unit increases male prison capacity by 256 beds.
- The rental of 75 beds for female offenders to be housed in local jails is phased in at a cost of $1.2 million.

Savings of $2.6 million is achieved by DOC through changes in its contracts with local jails involving supervision of violators being housed in jails and how the stays are billed back to DOC. The contract changes the practice of local jails from billing DOC where shared costs occur for offenders serving time for either or both, a local or federal jurisdiction hold, and a DOC Secretary warrant at the same time.

One-time savings of $2.0 million is assumed as DOC continues to revamp the way programming is provided to offenders in prisons and in community supervision to be based on a Risk-Needs-Responsivity model. An implementation plan is due by June 30, 2014 that will include a timeline for phasing in the participants to meet the threshold of available program funds.

A total of $1.2 million is provided to incorporate estimated violator population changes based on the policy implemented in December 2013 by DOC, allowing up to 30-day jail stays for offenders that fail to report within seven days of their scheduled appointments.

Criminal Justice Training Commission

The budget provides $28.9 million from the General Fund-State to the Criminal Justice Training Commission (CJTC) for training and certification of local law enforcement and corrections officers and pass-through funds to the Washington Association of Sheriffs and Police Chiefs; this funding reflects a 1.9 percent increase from the enacted 2013-15 budget. The budget assumes funding for eleven basic law enforcement academies in fiscal year 2014 and nine academies in fiscal year 2015.

A total of $968,000 in federal and local/private authority is provided to fund two ongoing training enhancements. Money is provided to fully fund Crisis Intervention training to King County law enforcement staff at a cost of $625,000. A total of $343,000 is provided to fund the ongoing Strategic Social Interaction Model project through the Defense Advanced Research Projects Agency, to look at identifying the basic skills needed by law enforcement officers to better handle any social encounter regardless of culture, language, or context.

Employment Security Department

The Employment Security Department (ESD) has a total budget of $694 million to administer Washington's unemployment insurance (UI) system, operate the WorkSource system, operate the Washington Service Corps, and conduct labor market and economic analysis.

The 2014 supplemental budget provides a total of $15 million in federal funds for ESD to complete the replacement of its UI tax and wage system, and to integrate and modernize its UI benefits system.

Department of Labor and Industries

The Department of Labor and Industries has a total budget of $660.3 million ($34.9 million General Fund-State) to administer Washington's Workers' Compensation system, manage the Occupational Health and Safety program, operate the Crime Victims' Compensation program, and regulate building practices.

The 2014 Supplemental budget provides $3.9 million total from dedicated accounts for additional electrical inspections staff and for Prevailing Wage program information technology upgrades.

Natural Resources

Land and Species Management

Fire Suppression Costs

A total of $6.7 million of state general fund is provided to the Department of Natural Resources (DNR) and the Department of Fish and Wildlife (WDFW) for fire suppression costs in fiscal year 2014 that exceeded the funding appropriated in the original 2013-15 operating budget.

Department of Natural Resources

The sum of $7.1 million ($1.6 million from the Forest Development Account and $5.5 million from the Resources Management Cost Account) is provided to DNR for land management activities delayed by recent years of declining timber prices and revenues. Funded activities include silviculture plantings and pre-commercial thinning that ensures the vitality of the forest and reduces fire danger, and survey capacity enhancements that improve data used for timber sales.

Fish and Wildlife Management

WDFW is provided $1.4 million in state general fund to comply with a federal court injunction requiring ongoing maintenance and assessments on culverts on state-owned land to ensure they do not become barriers to salmon passage.

The amount of $200,000 from the State Wildlife Account is provided to WDFW for a contract veterinarian to investigate elk hoof rot, an emerging disease affecting elk in southwest Washington.

Parks and Outdoor Recreation Support

A total of $100,000 from various accounts is provided to the Recreation and Conservation Office (RCO) to contract with a consultant for an outdoor recreation study. The study will quantify the contribution to the state's economy from expenditures on outdoor recreation, and the economic benefits that residents obtain from participating in outdoor recreation. RCO is also given spending authority for $50,000 of state general fund, and up to $100,000 in private matching funds to staff the Governor's Blue Ribbon Task Force on Parks and Outdoor Recreation.

The State Parks and Recreation Commission is provided $500,000 from the Parks Renewal and Stewardship Account to replace major equipment used for the operation and maintenance of state parks.

Environmental Protection and Pollution Abatement

Oil Transportation

Funding of $652,000 from the Oil Spill Prevention Account is provided to the Department of Ecology (DOE) to develop oil spill preparedness and response plans. These response plans will focus on the increasing amount of oil being transported by rail through the state and exported by vessel. In addition, $300,000 from the State Toxics Control Account is provided to DOE to conduct a study on oil transportation in the state, including potential impacts on public health and safety.

Toxics and Waste Management
Funding of $611,000 from the Environmental Legacy Stewardship Account is provided to DOE to increase the level of consumer products testing the agency conducts. Products are tested for the presence of specific chemicals to ensure manufacturers are complying with relevant laws, including the Children's Safe Products Act. Funding of $1.4 million is provided from the State Toxics Control Account and the Environmental Legacy Stewardship Account for DOE to develop cleanup procedures, comply with new cash management requirements, and increase the pace of regional cleanup projects pursuant to Chapter 1, Laws of 2013, 2nd sp.s. (2E2SSB 5296).

DOE is provided $299,000 from the Biosolids Permit Account to address a backlog of biosolids permit approvals, mainly for septage sites in Eastern Washington. DOE will also conduct compliance inspections and develop a GIS map of application sites.

A total of $536,000 from the Radioactive Mixed Waste Account is provided to DOE for Hanford Nuclear Reservation activities, including increasing the number of DOE inspectors ($312,000) and incorporating public comments into a revised Hanford sitewide permit ($224,000).

Water Management and Watershed Protection

Water Data System Improvements
Funding of $815,000 from the Water Quality Permit Account is provided to DOE to migrate the water quality permit system to a system that is a compatible with the DOE management system and to develop an interface between the two systems.

Funding of $260,000 from the Reclamation Account is provided to DOE to support the Yakima water rights adjudication. The adjudication is a legal effort to establish claims to water rights in the area that began during a water shortage in the 1970s and is nearing completion. The two primary activities include processing court notifications and migrating water rights data from an unsupported legacy platform to a modern platform.

Emergency Food Programs

Funding of $800,000 is provided for the Department of Agriculture's Emergency Food Assistance Program, a program that provides operating funds to food banks and distribution centers throughout the state.

Transportation

The majority of the funding for transportation services is included in the transportation budget, not the omnibus appropriations act. For additional information on funding for transportation agencies and other transportation funding, see the Transportation section of the Legislative Budget Notes. The omnibus appropriations act includes only a portion of the total funding for the Washington State Patrol and the Department of Licensing.

Washington State Patrol

$1.5 million of funding for the Criminal Records Management Division is shifted from the state general fund to the Fingerprint Identification Account on a one-time basis.

Enhancements to the Program of Basic Education

Materials, Supplies and Operating Costs

Funding totaling $58.0 million is provided to further enhance the materials, supplies, and operating costs (MSOC) component of the prototypical school funding model, increasing the per full-time equivalent student allocation to $848.04 from $781.72.

Opportunity for 24 Credits and Instructional Hours

Funding in the amount of $97.0 million is reallocated within the program of basic education from implementation of increased instructional hours as directed under Chapter 4, Laws of 2013, 2nd sp.s., to implement Chapter 217, Laws of 2014 (E2SSB 6552). Under the reallocation, funding is provided for a class size enhancement for two laboratory science classes within grades 9 through 12, increased prototypical high school guidance counselor allocations, and an additional MSOC allocation for grades 9 through 12. A proportional increase for educational staff associate ratios in career and technical education and skill center allocations is also provided. Additionally, funding is provided for rule making at the State Board of Education and for the Office of the Superintendent of Public Instruction (OSPI) to develop curriculum frameworks for a selected list of career and technical education courses. The net impact of this shift is a reduction of $0.2 million.

Other Enhancements to Public Schools

Professional Development

Funding in the amount of $2.0 million is provided for support and professional development of new teachers. An additional $ 0.3 million is provided for the Professional Educator Standards Board to convene a work group to provide recommendations for minimum employment standards, professional development, and career and education opportunities for paraeducators.

Federal Forest Deductible Revenues

Funding in the amount of $2.0 million is provided for implementation of Chapter 155, Laws of 2014 (E2SHB 2207) which partially eliminates the reduction of school district federal timber revenue receipts from school district general apportionment allocations. However, this provision within the budget was vetoed by the Governor. The veto message indicates that the underlying general apportionment appropriations are sufficient to fully fund apportionment payments to school districts and fulfill the intent of E2SHB 2207.

Transportation Funding Adjustment

Funding in the amount of $0.6 million is provided for pupil transportation funding formula adjustments to school district allocations provided through the Student Transportation Allocation Reporting System model, to account for extenuating circumstances not included in allocations to districts that are at least 95 percent efficient.

Improved Educational Outcomes
Funding in the amount of $0.4 million is provided for implementation of legislation related to expanding learning opportunities and improved outcomes for homeless students as well as strategies to close the opportunity gap.

Other

Savings and Reductions
Savings and reductions in the amount of $0.5 million are achieved through a combination of refined cost estimates and the absorption of costs related to student assessment within OSPI's budget.

Higher Education

Overview

After the 2014 supplemental operating budget, a total of $3.1 billion in state funds (Near General Fund plus Opportunity Pathways Account) is appropriated for higher education (including financial aid) in the 2013-15 biennium. Approximately 76.5 percent of this total ($2.4 billion) is to the public colleges and universities. This represents a decrease of 1.1 percent ($25.9 million) in state funds to institutions of higher education from the original 2013-15 operating budget appropriations and an increase of approximately 0.4 percent ($11.7 million) to higher education overall. Changes to state employee health insurance (-$30.0 million) account for the majority of the institutional decrease. Supplemental appropriations for financial aid are approximately 5.5 percent ($37.6 million) above the original 2013-15 operating budget appropriations.

The 2014 supplemental operating budget extends the institutional tuition setting authority suspension in place for the 2013-14 academic year to the 2014-15 academic year.

Major Increases

Opportunity Scholarship Program

A total of $25.4 million is provided to the Student Achievement Council for the Opportunity Scholarship Program for student scholarships and to match private contributions received to date. The Opportunity Scholarship Program is a public/private partnership that provides scholarships to students who have received their high school diploma or GED in Washington State and are pursuing a four-year degree in a high-demand field of study.

College Bound Scholarship Program

An additional $12.2 million is provided to meet commitments for the College Bound Scholarship Program. This Program is open to low-income 7th and 8th graders who sign a pledge to meet certain criteria including graduating from high school on time with a 2.0 grade point average. Students who meet the eligibility requirements of the Program are awarded scholarships covering the costs of public sector tuition and fees and a small book allowance. The first College Bound Scholarship cohort began receiving funding in the fall of 2012. With this additional appropriation, a total of $48.3 million is provided for scholarship awards.

Aerospace Enrollments

A total of $8.0 million is provided for additional high-demand aerospace enrollments at the community and technical colleges as part of Chapter 1, Laws of 2013, 3rd sp.s. (EHB 2088). These enrollments will be located in programs, and at sites, recommended by the Washington Aerospace and Advanced Manufacturing Pipeline Advisory Committee. A portion of the funding will offset training being provided through a federal grant which ends at the conclusion of the 2013-14 academic year.

Real Hope Act
An additional $5.0 million is added to the State Need Grant Program as part of Chapter 1, Laws of 2014 (SB 6523). Students who are granted Deferred Action for Childhood Arrival (DACA) status or meet other residency requirements will be eligible to receive grant funding through the State Need Grant Program.

Institute of Protein Design
A total of $1.0 million is provided to the University of Washington to support the commercialization of translational projects through the recruitment and funding of faculty and staff.

Computer Science and Engineering Expansion
An additional $1.0 million is provided to Central Washington University to expand computer science and engineering enrollments. An additional $1.0 million is provided to Eastern Washington University to expand engineering enrollments.

Jet Fuels Center of Excellence
A total of $750,000 is provided to Washington State University for state match requirements related to the Federal Aviation Administration (FAA) grant expected to continue until 2018. Washington State University has been designated as the lead for the Air Transportation Center of Excellence for Alternative Jet Fuels and the Environment. The FAA is expected to award $4.0 million per year to the Center. State matching funds will pay for a portion of the Center's administrative costs and graduate research assistants.

Other Education

Department of Early Learning

A total of $484 million ($162 million General Fund-State and Opportunity Pathways) is provided to the Department of Early Learning for developing, implementing, and coordinating early learning programs for children from birth to five years of age. This represents an increase of approximately 0.3 percent ($1.6 million) above amounts appropriated in the 2013-15 operating budget.

An additional $3.0 million General Fund-State is provided to maintain the Medicaid Treatment Child Care (MTCC) Program. The MTCC Program is an early intervention and prevention program serving children from birth to five years of age who are at risk of child abuse and neglect that may be experiencing mental health and/or behavioral issues. The use of federal Medicaid dollars is currently disallowed. This funding replaces a portion of those dollars.

A total of $4.4 million General Fund-State ($2.4 million for centers and $2.0 million for family home providers as part of the collective bargaining agreement) is provided for the Department to implement a tiered reimbursement pilot project for child care providers. The Department will work to establish the specific rates to be used.

A total of $536,000 General Fund-State ($299,000 for centers and $237,000 for family home providers as part of the collective bargaining agreement) is provided for a base rate increase for the seasonal and homeless child care programs. The funds appropriated to the Department represent approximately 3 percent of the total $18.5 million General Fund-State provided in the 2014 supplemental budget for this purpose. The remaining funds are provided to the Division of Children and Family Services and the Economic Services Administration, both housed within the Department of Social and Health Services. Base payment rates will increase by 4 percent on July 1, 2014 and an additional 4 percent on January 1, 2015.

Special Appropriations

Special Appropriations (Non-Compensation Related Items)

Lean Management
Savings of $10 million General Fund-State are achieved by implementing lean management practices and other efficiencies. The Office of Financial Management (OFM) will develop and implement a plan to increase efficiencies and reduce state expenditures.

Disaster Response Account
Savings of $1.5 million are achieved by reducing the General Fund-State appropriation into the Disaster Response Account. The Disaster Response Account requires less state moneys because of an available fund balance within the account.

Special Appropriations (Compensation Related Items)

Employee Health Benefits
Total savings of $118.6 million ($60.5 million General Fund-State) result from reducing the state contribution for public employee benefits for FY 2015 from $763 per month to $662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods, and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

2014 Supplemental Transportation Budget Summary

The 2014 Supplemental Transportation Budget includes $9.2 billion in appropriations, an increase of $453 million from the base 2013-15 biennial budget. Most of the increase reflects amounts reappropriated from the previous biennium for delayed capital activity.

Changes to the 2013-15 Fiscal Biennium Revenue Outlook.

The 2013-15 biennial budget is based on the March 2013 revenue forecast. Since that time, the forecast has been updated three times, but the outlook has changed very little. For the 18th Amendment revenue sources, the expected motor vehicle fuel tax collections have increased by $10.4 million, or about 0.4 percent, and vehicular licenses, permits, and fees by $13.5 million, or about 1.4 percent. For dedicated and flexible sources, expected toll revenue has increased by $17.4 million, about 6.3 percent, while driver-related fees have decreased by $10.9 million, or about -3.7 percent. Overall, expected revenues have increased by $46.4 million, about 1 percent.

Capital Program Changes.

The capital program in the 2014 Supplemental Transportation Budget maintains current legislative policy for the delivery of highway and ferry capital projects, by and large, including work on the SR 99 deep bore tunnel, the SR 520 corridor, the US 395 North Spokane Corridor, the I-405 express toll lanes, and the Olympic Class ferry vessels. The capital program includes increases of $333 million at the Washington State Department of Transportation (WSDOT), $24 million at the County Road Administration Board (CRAB), and $59 million at the Transportation Improvement Board (TIB). Of the WSDOT increase, $268 million represents reappropriations for work that was intended to be completed in the 2011-13 biennium but was carried over into the current biennium. The remaining portion of the WSDOT changes mostly reflects a combination of increases and decreases due to work that is being delayed or accelerated. The CRAB and TIB adjustments largely reflect reappropriated amounts.

While there are very few new items in the capital program, the ferry capital program does include the initial funding of $50 million for a third Olympic Class vessel, supported by revenues authorized under E2SHB 1129. The budget also includes funding for the completion of the first and second Olympic Class vessels, the Tokitae and the Samish.

One significant WSDOT highway construction program project change of note is in regards to the SR 520 bridge program. The WSDOT reached resolution on change orders and associated funding that are needed as a result of the correction of the design of the bridge pontoons. The change necessitated an increase in the project budget of $26 million in the 2013-15 biennium and $172 million in total. The supplemental budget intends to fund the total increase with $111 million in the bonds backed by the tolls on the SR 520 floating bridge, motor vehicle fuel tax funds, and full faith and credit of the state ("triple pledge"); an increase of $27.2 million in federal bridge funding; and an increase of $33.8 million in Transportation Partnership Act (TPA) funding. The TPA increase is also accompanied by a directive to use least-cost planning on other TPA projects to offset the increase.

Operating Program Changes.

There are several noteworthy changes to some of the operating programs in the transportation budget. Overall, the operating program budgets increase by about $34 million.

The supplemental transportation budget provides funding for several Department of Licensing (DOL) programs that concern information technology (IT). Over $5.2 million is provided for the next phase of the Business and Technology Modernization Project, which will fund cleanup of the vehicle data and document business rules to prepare for the update of the Vehicle and Driver Field systems. In addition, $2.4 million is provided for the replacement of the DOL's Prorate and Fuel Tax System, and $1.5 million is provided to begin to upgrade the Central Issuance System for drivers' licenses and identicards.

Funding is also provided to the DOL to implement several legislative priorities, including 2ESSB 5785 (License Plates/Display), SSB 5467 (Vehicle Owner Lists), HB 2741 (Initial Vehicle Registration), and several special license plate authorizations.

For WSDOT, the supplemental budget provides funding to several programs. Funding of $13.0 million is provided to the Passenger Rail program to fully fund passenger rail service on the Amtrak Cascades route due to new requirements from the Passenger Rail Investment and Improvement Act of 2008. For the Tolling Operations program, $3.2 million is provided to procure and transition to a new customer service center (CSC) and for CSC system improvement costs. The supplemental budget also provides $2 million for transponders and staff necessary for the initial implementation of the I-405 express toll lanes. For the Airport Aid program, $565,000 of one-time funding is provided to address paving and preservation needs at the state's 136 public-use airports.

The supplemental transportation budget also provides authority to the WSDOT for coordinating positions to help with project delivery. One-time funds of $200,000 are provided for a disadvantaged business enterprise (DBE) community engagement position to facilitate an increase in the pool of disadvantaged businesses available for the WSDOT contracts. In addition, within existing resources, a new WSDOT position is authorized to provide independent project quality assurance and ensure accountability.

For the Transportation Commission, the WSDOT Economic Partnerships Office, and the Office of the Treasurer, funding and direction is provided to support the further conceptual development of a road usage charge system. Funding in the amount of $450,000 is provided to the Commission for the refinement of certain policy development tasks regarding the road usage charge, for the development of a road usage charge concept of operations, and for a financial analysis. The WSDOT and the Office of the Treasurer are also directed to assist in the road usage charge policy development and refinement efforts.

The commute trip reduction tax credit for businesses and public utilities is extended through June 30, 2015.

In addition to new programmatic activity, the supplemental transportation budget includes several studies. For the Joint Transportation Committee (JTC), $250,000 is included to study the market for electric vehicle charging stations to determine whether there is a role for the state in supporting growth of the market. The JTC must also convene two other work groups, to provide recommendations to streamline and modernize the vehicle titling and registration process, and to provide recommendations for a pilot program that would allow students to meet traffic safety education requirements online. The DOL is directed to convene a work group to formulate recommendations concerning tow truck operators who are not required to register with the DOL. The DOL must convene another work group to examine issues relating to the taxation of liquefied and compressed natural gas (LNG and CNG) when used as transportation fuels, including examining the annual fee in lieu of tax and a transition plan to eliminate this annual fee for LNG and CNG. The Utilities and Transportation Commission (UTC) is directed to study the issue of safety when third-party carriers provide railroad crew transportation. WSDOT is directed to evaluate the potential use of re-refined fuel for state ferry system use.

2013-15 Washington State Transportation Budget

TOTAL OPERATING AND CAPITAL BUDGET

Total Appropriated Funds

(Dollars in Thousands)

	Original 2013-15 Appropriations	2014 Supplemental Budget	Revised 2013-15 Appropriations
Department of Transportation	**6,413,152**	**350,532**	**6,763,684**
Pgm B - Toll Op & Maint-Op	62,688	5,467	68,155
Pgm C - Information Technology	72,056	-54	72,002
Pgm D - Facilities-Operating	26,251	-137	26,114
Pgm D - Facilities-Capital	21,531	2,328	23,859
Pgm F - Aviation	9,511	548	10,059
Pgm H - Pgm Delivery Mgmt & Suppt	48,357	1,080	49,437
Pgm I - Hwy Const/Improvements	3,478,146	94,438	3,572,584
Pgm K - Public/Private Part-Op	570	19	589
Pgm M - Highway Maintenance	407,040	1,318	408,358
Pgm P - Hwy Const/Preservation	698,600	19,863	718,463
Pgm Q - Traffic Operations	52,804	-449	52,355
Pgm Q - Traffic Operations - Cap	11,153	3,114	14,267
Pgm S - Transportation Management	28,284	206	28,490
Pgm T - Transpo Plan, Data & Resch	48,565	909	49,474
Pgm U - Charges from Other Agys	82,068	-4,402	77,666
Pgm V - Public Transportation	109,737	1,893	111,630
Pgm W - WA State Ferries-Cap	291,348	87,665	379,013
Pgm X - WA State Ferries-Op	485,197	-1,672	483,525
Pgm Y - Rail - Op	32,924	13,102	46,026
Pgm Y - Rail - Cap	376,480	108,417	484,897
Pgm Z - Local Programs-Operating	11,304	-65	11,239
Pgm Z - Local Programs-Capital	58,538	16,944	75,482
Washington State Patrol	407,283	-3,072	404,211
Department of Licensing	249,235	11,009	260,244
Joint Transportation Committee	1,330	245	1,575
Jt Leg Audit & Review Committee	493	0	493
LEAP Committee	529	-2	527
Office of Financial Management	1,817	-5	1,812
Dept of Enterprise Services	502	0	502
Utilities and Transportation Comm	504	0	504
WA Traffic Safety Commission	45,566	59	45,625
Archaeology & Historic Preservation	435	-2	433
County Road Administration Board	81,187	23,493	104,680
Transportation Improvement Board	191,529	59,472	251,001
Transportation Commission	3,059	444	3,503
Freight Mobility Strategic Invest	29,538	2,882	32,420
State Parks and Recreation Comm	986	0	986
Dept of Fish and Wildlife	295	0	295
Department of Agriculture	1,208	-5	1,203
Total Appropriation	**7,428,648**	**445,050**	**7,873,698**
Bond Retirement and Interest	1,284,165	7,624	1,291,789
Total	**8,712,813**	**452,674**	**9,165,487**

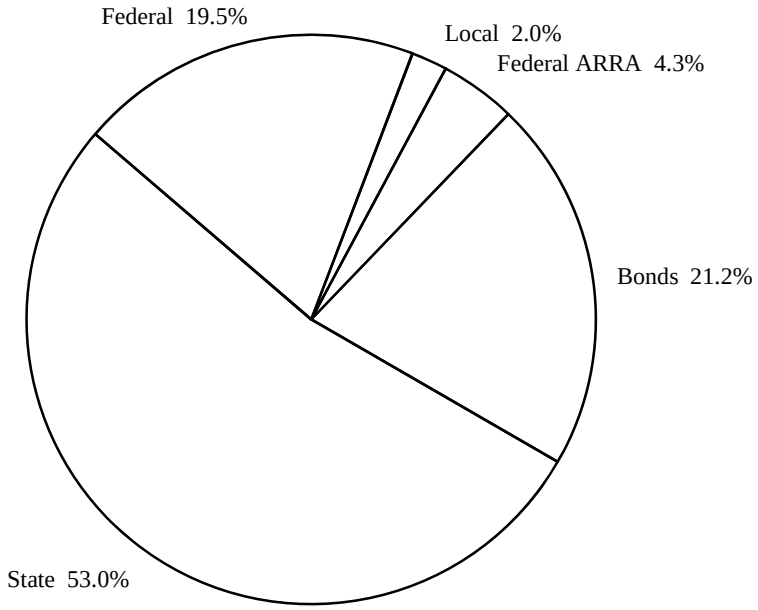
2013-15 Revised Transportation Budget (2014 Supp)

Chapter 222, Laws of 2014, Partial Veto (ESSB 6001)

Total Appropriated Funds

(Dollars in Thousands)

COMPONENTS BY FUND TYPE
Total Operating and Capital Budget



Fund Type	2013-15 Original	2014 Supp	2013-15 Revised
State	4,489,021	364,808	4,853,829
Federal	1,632,853	154,735	1,787,588
Local	179,410	7,720	187,130
Federal ARRA	319,443	78,347	397,790
Bonds	2,092,086	-152,936	1,939,150
Total	**8,712,813**	**452,674**	**9,165,487**

2013-15 Revised Transportation Budget (2014 Supp)

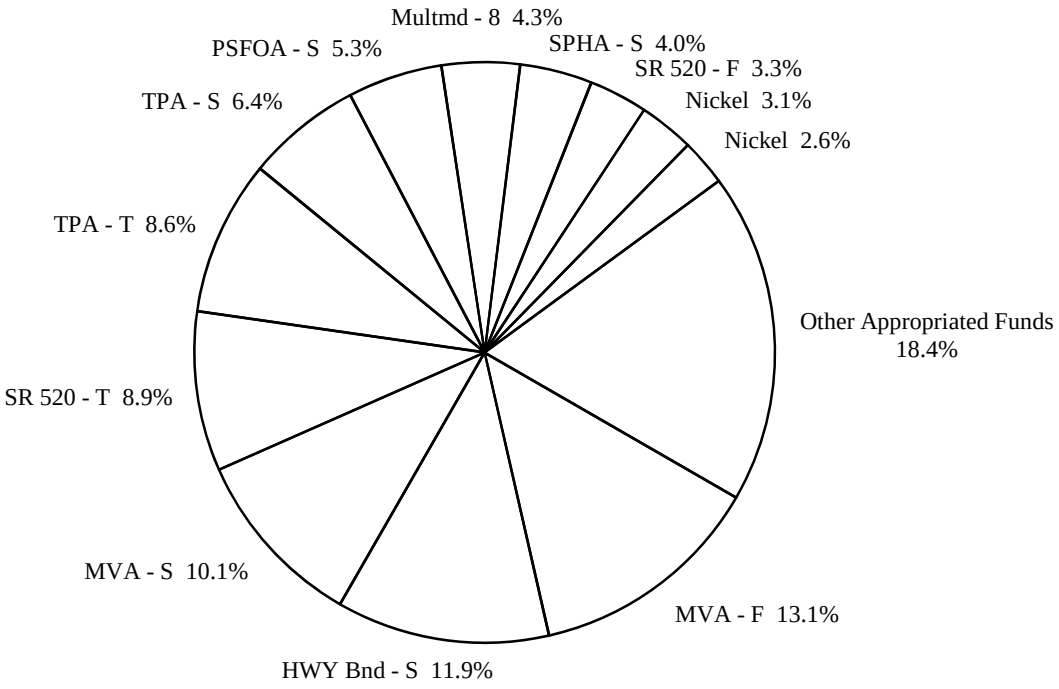
Chapter 222, Laws of 2014, Partial Veto (ESSB 6001)

Total Appropriated Funds

(Dollars in Thousands)

MAJOR COMPONENTS BY FUND SOURCE AND TYPE

Total Operating and Capital Budget



Major Fund Source	2013-15 Original	2014 Supp	2013-15 Revised
Motor Vehicle Account - Federal (MVA - F)	1,085,689	115,088	1,200,777
Highway Bond Retirement Account - State (HWY Bnd - S)	1,074,580	12,221	1,086,801
Motor Vehicle Account - State (MVA - S)	915,789	9,453	925,242
SR 520 Corridor Account - Bonds (SR 520 - T)	668,141	146,643	814,784
Transportation Partnership Account - Bonds (TPA - T)	1,156,217	-364,106	792,111
Transportation Partnership Account - State (TPA - S)	448,622	139,374	587,996
Puget Sound Ferry Operations Acct - State (PSFOA - S)	485,502	-1,409	484,093
Multimodal Transportation Account (Multmd - 8)	309,460	88,330	397,790
State Patrol Highway Account - State (SPHA - S)	372,280	-2,814	369,466
SR 520 Corridor Account - Federal (SR 520 - F)	300,000	0	300,000
Transportation 2003 Acct (Nickel) - Bonds (Nickel - T)	217,604	64,651	282,255
Transportation 2003 Acct (Nickel) - State (Nickel - S)	174,511	63,958	238,469
Other Appropriated Funds	1,504,418	181,285	1,685,703
Total	**8,712,813**	**452,674**	**9,165,487**

2013-15 Washington State Transportation Budget
Including 2014 Supplemental Budget
Fund Summary
TOTAL OPERATING AND CAPITAL BUDGET
(Dollars in Thousands)

	MVF State *	P.S. Ferry Op Acct State	Nickel Acct State *	WSP Hwy Acct State	Transpo Partner State *	Multimod Acct State	Other Approp *	Total Approp
Department of Transportation	**858,879**	**483,917**	**519,919**	**0**	**1,376,420**	**159,758**	**3,364,791**	**6,763,684**
Pgm B - Toll Op & Maint-Op	514	250	0	0	0	0	67,391	68,155
Pgm C - Information Technology	65,936	263	1,460	0	1,460	2,883	0	72,002
Pgm D - Facilities-Operating	26,114	0	0	0	0	0	0	26,114
Pgm D - Facilities-Capital	9,469	0	0	0	14,390	0	0	23,859
Pgm F - Aviation	0	0	0	0	0	0	10,059	10,059
Pgm H - Pgm Delivery Mgmt & Suppt	48,687	0	0	0	0	250	500	49,437
Pgm I - Hwy Const/Improvements	69,478	0	325,778	0	1,313,555	1,000	1,862,773	3,572,584
Pgm K - Public/Private Part-Op	589	0	0	0	0	0	0	589
Pgm M - Highway Maintenance	391,358	0	0	0	0	0	17,000	408,358
Pgm P - Hwy Const/Preservation	59,796	0	2,650	0	34,966	0	621,051	718,463
Pgm Q - Traffic Operations	50,055	0	0	0	0	0	2,300	52,355
Pgm Q - Traffic Operations - Cap	4,915	0	0	0	0	0	9,352	14,267
Pgm S - Transportation Management	27,079	0	0	0	0	1,131	280	28,490
Pgm T - Transpo Plan, Data & Resch	19,818	0	0	0	0	662	28,994	49,474
Pgm U - Charges from Other Agys	74,198	0	0	0	0	3,068	400	77,666
Pgm V - Public Transportation	0	0	0	0	0	39,325	72,305	111,630
Pgm W - WA State Ferries-Cap	0	0	190,031	0	2,813	2,588	183,581	379,013
Pgm X - WA State Ferries-Op	0	483,404	0	0	0	0	121	483,525
Pgm Y - Rail - Op	0	0	0	0	0	46,026	0	46,026
Pgm Y - Rail - Cap	0	0	0	0	0	44,085	440,812	484,897
Pgm Z - Local Programs-Operating	8,672	0	0	0	0	0	2,567	11,239
Pgm Z - Local Programs-Capital	2,201	0	0	0	9,236	18,740	45,305	75,482
Washington State Patrol	0	0	0	369,466	0	272	34,473	404,211
Department of Licensing	81,214	0	0	0	0	0	179,030	260,244
Joint Transportation Committee	1,575	0	0	0	0	0	0	1,575
Jt Leg Audit & Review Committee	493	0	0	0	0	0	0	493
LEAP Committee	527	0	0	0	0	0	0	527
Office of Financial Management	1,636	176	0	0	0	0	0	1,812
Dept of Enterprise Services	502	0	0	0	0	0	0	502
Utilities and Transportation Comm	0	0	0	0	0	0	504	504
WA Traffic Safety Commission	0	0	0	0	0	0	45,625	45,625
Archaeology & Historic Preservation	433	0	0	0	0	0	0	433
County Road Administration Board	2,901	0	0	0	0	0	101,779	104,680
Transportation Improvement Board	0	0	0	0	0	0	251,001	251,001
Transportation Commission	3,391	0	0	0	0	112	0	3,503
Freight Mobility Strategic Invest	988	0	0	0	0	0	31,432	32,420
State Parks and Recreation Comm	986	0	0	0	0	0	0	986
Dept of Fish and Wildlife	295	0	0	0	0	0	0	295
Department of Agriculture	1,203	0	0	0	0	0	0	1,203
Total Appropriation	**955,023**	**484,093**	**519,919**	**369,466**	**1,376,420**	**160,142**	**4,008,635**	**7,873,698**
Bond Retirement and Interest	219	0	805	0	3,687	0	1,287,078	1,291,789
Total	**955,242**	**484,093**	**520,724**	**369,466**	**1,380,107**	**160,142**	**5,295,713**	**9,165,487**

* *Includes Bond amounts.*

2014 Supplemental Capital Budget Summary

The November 2013 supplemental capital budget provided $6.5 million from existing general obligation bond authority for appropriations that support aerospace worker training programs. The 2014 legislative session did not enact a supplemental capital budget.

The projects funded in November 2013 include the following:

Department of Commerce

Projects for Jobs & Economic Development (92000151)

An additional $5 million is provided for the Renton Aerospace Training Center, bringing the total appropriation to $10 million.

State Building Construction Account-State $5,000,000

State Board for Community & Technical Colleges

Edmonds Community College: WATR Center (30000979)

Funding is provided for modifications to the Washington Aerospace Training and Research (WATR) Center and to acquire specialized equipment to support a fabrication composite wing incumbent worker training program.

State Building Construction Account-State $1,500,000

This Page Intentionally Left Blank

Section III: Index

This Page Intentionally Left Blank

FISCAL -- APPROPRIATIONS

FISCAL -- CAPITAL

FISCAL -- REVENUE

HUMAN SERVICES

INSURANCE

LABOR

NATURAL RESOURCES

TECHNOLOGY & TELECOMMUNICATION

TRANSPORTATION

TRIBAL AFFAIRS

VETERANS

WATER

WORKFORCE DEVELOPMENT

Bill Number to Session Law Table

HOUSE BILLS

ESHB	1090	Dock construction	C	23	L 14		
2ESHB	1117	Real property transfer	C	58	L 14		
E2SHB	1129	Ferry vessel replacement	C	59	L 14		
SHB	1171	Pretrial release programs	C	24	L 14		
EHB	1224	Voluntary planning under GMA	C	147	L 14		
SHB	1254	Prevailing wage filings	C	148	L 14		
SHB	1260	Public facilities' grants	FULL VETO				
HB	1264	Fire district mergers	C	25	L 14		
ESHB	1287	Indian tribes/property tax	C	207	L 14		
SHB	1292	Prostitution convictions	C	109	L 14		
HB	1360	Industrial land banks	C	149	L 14		
ESHB	1417	Irrigation district administration	C	2	L 14		
HB	1607	Forcible entry	C	3	L 14		
SHB	1634	Property tax levy limit	C	4	L 14		
ESHB	1643	Energy conservation	C	26	L 14		
2SHB	1651	Juvenile records access	C	175	L 14		
SHB	1669	Higher education/self-supporting	C	60	L 14		
2SHB	1709	Foreign language interpreters	C	150	L 14		PV
HB	1724	Statements by juveniles	C	110	L 14		
SHB	1742	Sales of growlers of wine	C	27	L 14		
2SHB	1773	Midwifery	C	187	L 14		
HB	1785	State resources/de minimis	C	28	L 14		
SHB	1791	Trafficking	C	188	L 14		
ESHB	1840	Firearms/restraining orders	C	111	L 14		
SHB	1841	Electronic competitive bidding	C	151	L 14		
ESHB	2023	Securities/crowdfunding	C	144	L 14		
E2SHB	2029	Economic development agencies	C	112	L 14		
SHB	2057	Arrest without warrant	C	5	L 14		
SHB	2080	Tribal fishing/convictions	C	176	L 14		
EHB	2088	Aerospace appropriations	C	1	L 13	E3	
HB	2099	Timber purchase reporting	C	152	L 14		
HB	2100	Seattle University license plates	C	6	L 14		
SHB	2102	Civil actions by prisoners	C	113	L 14		
SHB	2105	Government agency meeting agendas	C	61	L 14		
HB	2106	Primaries for county offices	C	7	L 14		
EHB	2108	Hearing instrument fitters	C	189	L 14		
ESHB	2111	Regional transit authorities	C	153	L 14		
HB	2115	Officer Promotion Board	C	178	L 14		
HB	2119	State waterfall/Palouse	C	41	L 14		
SHB	2125	Horse racing fines	C	62	L 14		

HB	2130	Veterans innovations program	C	179	L 14	
HB	2137	Commercial motor vehicles	C	154	L 14	
HB	2140	Credit unions' mergers	C	8	L 14	
SHB	2146	L&I appeal bonds	C	190	L 14	
ESHB	2151	Recreational trails	C	114	L 14	
SHB	2153	Eosinophilic GI disorders	C	115	L 14	
ESHB	2155	Theft from spirits retailers	C	63	L 14	
ESHB	2160	Physical therapists	C	116	L 14	
2SHB	2163	Dextromethorphan	C	64	L 14	
ESHB	2164	Juvenile firearm offenders	C	117	L 14	
HB	2167	Challenged schools	C	191	L 14	PV
SHB	2171	Veterans, military personnel	C	65	L 14	
SHB	2175	Telecommunications industry	C	118	L 14	
ESHB	2191	Child care facilities	C	9	L 14	
E2SHB	2192	State agency permitting	C	68	L 14	
SHB	2195	Involuntary medication/jails	C	10	L 14	
E2SHB	2207	Basic education funding	C	155	L 14	PV
HB	2208	Heavy civil construction	C	42	L 14	
HB	2225	Milwaukee Road corridor	C	43	L 14	
HB	2228	Private vocational school students	C	11	L 14	
SHB	2229	State tourism marketing program	C	69	L 14	
ESHB	2246	Mercury-containing lights	C	119	L 14	
2SHB	2251	Fish barrier removals	C	120	L 14	PV
HB	2253	Telecommunications installations	C	156	L 14	
SHB	2261	Science use/agency actions	C	21	L 14	
SHB	2262	Science use/agency actions	C	22	L 14	
HB	2276	Residential schools/ESDs	C	157	L 14	
HB	2296	Petition signatures/cities	C	121	L 14	
ESHB	2298	Capital projects/technology infrastructure	C	44	L 14	
ESHB	2304	Marijuana licenses	C	192	L 14	
SHB	2309	Property taxes, payment of	C	13	L 14	
SHB	2310	Provider safety equipment	C	70	L 14	
ESHB	2315	Suicide prevention	C	71	L 14	
SHB	2318	Medicaid transportation brokers	C	193	L 14	
EHB	2335	Extended foster care	C	122	L 14	
EHB	2351	Health care/volunteers	C	126	L 14	
HB	2359	Collectible vehicles	C	72	L 14	
SHB	2363	Military member dependents	C	180	L 14	
EHB	2397	Medal of Honor license plate	C	181	L 14	
HB	2398	Community college degrees	C	158	L 14	
SHB	2430	Athletic trainers	C	194	L 14	
SHB	2433	Annexation/utility notice	C	123	L 14	
HB	2446	Property tax refund order	C	16	L 14	
SHB	2448	Insurance & financial responsibility	C	17	L 14	
SHB	2454	Water quality trading program	C	73	L 14	

HB	2456	Firefighter, definition	C	145	L 14	
2SHB	2457	Derelict & abandoned vessels	C	195	L 14	
ESHB	2463	Parking, person w/disability	C	124	L 14	
SHB	2492	Emergency provider liability	C	159	L 14	
E2SHB	2493	Land use/horticulture	C	125	L 14	
HB	2515	Population enumeration data	C	14	L 14	
ESHB	2519	Early education/children in welfare	C	160	L 14	
SHB	2544	Newborn screening	C	18	L 14	
HB	2547	Port district creation	C	15	L 14	
HB	2555	Design-build contracts	C	19	L 14	
SHB	2567	Homeowners' associations	C	20	L 14	
E2SHB	2569	Diesel emissions pollution	C	74	L 14	
E2SHB	2572	Healthcare purchase, delivery	C	223	L 14	PV
HB	2575	Teacher assignment data	C	161	L 14	
E2SHB	2580	Maritime industry, etc.	C	127	L 14	
HB	2585	TANF benefits for a child	C	75	L 14	
SHB	2612	Opportunity scholarship	C	208	L 14	
SHB	2613	Higher education efficiencies	C	162	L 14	
2SHB	2616	Parents w/developmental disabilities	C	163	L 14	
ESHB	2626	Educational attainment goals	C	209	L 14	PV
2SHB	2627	Chemical dependency	C	128	L 14	
EHB	2636	Government environmental reports	C	76	L 14	
HB	2674	Quick titles processing	C	12	L 14	
ESHB	2680	Liquor catering license	C	29	L 14	
HB	2700	Breast cancer license plates	C	77	L 14	
HB	2708	Qualified alternate energy resource	C	129	L 14	
HB	2723	Foreclosures	C	164	L 14	
SHB	2724	Archaeological resource information	C	165	L 14	
EHB	2733	Pipes and irrigation canals	C	45	L 14	
SHB	2739	Student success in school	C	196	L 14	
HB	2741	Initial vehicle registration	C	197	L 14	
HB	2744	Veteran-owned businesses	C	182	L 14	
ESHB	2746	Medicaid personal care	C	166	L 14	
HB	2776	Civil liberties education program	C	46	L 14	
EHB	2789	Government surveillance	FULL VETO			
HB	2798	Managed health care/payments	C	198	L 14	

SENATE BILLS

ESSB	5045	Day spas/wine or beer	C	199	L 14	
ESB	5048	Notice against trespass	FULL VETO			
2SSB	5064	Offenses prior to age 18	C	130	L 14	
SSB	5123	Farm internship program	C	131	L 14	
SB	5141	Motorcycles at traffic signals	C	167	L 14	

SSB	5173	Holidays/faith & conscience	C	168	L 14		
SB	5310	Senior center alcohol license	C	78	L 14		
SB	5318	Military/resident tuition	C	183	L 14		
SSB	5360	Unpaid wages collection	C	210	L 14		
SSB	5467	Vehicle owner lists	C	79	L 14		
SSB	5691	Veterans' homes	C	184	L 14		
SB	5775	Veterans/drivers' licenses	C	185	L 14		
2ESSB	5785	License plates/display, etc.	C	80	L 14		
SSB	5859	Small rural hospitals	C	57	L 14		
ESSB	5875	Homeless housing surcharge	C	200	L 14		
ESSB	5889	Snowmobile license fees	C	30	L 14		
SB	5931	Health plans outside exchange	C	31	L 14		
ESSB	5952	Aerospace tax preferences & exemption	C	2	L 13	E3	
SB	5956	Short-barreled rifles	C	201	L 14		
2SSB	5958	Student transition services	C	47	L 14		
ESB	5964	Public records and meetings	C	66	L 14		
SSB	5969	Academic credit/military	C	186	L 14		
ESSB	5972	Forested lands fire damages	C	81	L 14		
2SSB	5973	Community forest trust account	C	32	L 14		
SSB	5977	Protection product guarantee	C	82	L 14		
SB	5981	Mason County superior court judges	C	169	L 14		
SB	5999	Corporate entity conversions	C	83	L 14		
ESSB	6001	Transportation supplemental budget 2013-2015	C	222	L 14		PV
ESSB	6002	Operating supplemental budget 2014	C	221	L 14		PV
SSB	6007	Public utility customer information	C	33	L 14		
SB	6013	Epinephrine autoinjectors	C	34	L 14		
SSB	6014	Vessel operation/intoxicated	C	132	L 14		
ESSB	6016	Health benefit exchange	C	84	L 14		
ESB	6031	Lake & beach management districts	C	85	L 14		
ESB	6034	State parks partnerships	C	86	L 14		
SB	6035	Ski area conveyance safety	C	133	L 14		
ESSB	6040	Invasive species	C	202	L 14		
ESSB	6041	Fish & wildlife enforcement	C	48	L 14		
SSB	6046	Whistleblowers	C	49	L 14		
SSB	6054	Aeronautic safety	C	134	L 14		
2SSB	6062	School data internet access	C	211	L 14		
SB	6065	Tanning devices/UV radiation	C	87	L 14		
SSB	6069	Sex offenders/community custody	C	35	L 14		
SSB	6074	Homeless student educational outcomes	C	212	L 14		
SSB	6078	Native American Heritage Day	C	177	L 14		
SSB	6086	State agency PCBs reduction	C	135	L 14		
SB	6093	Background checks/DEL cards	C	50	L 14		
SSB	6095	Background checks	C	88	L 14		
SB	6115	Process server requirements	C	203	L 14		
SSB	6124	State Alzheimer's plan	C	89	L 14		

E2SSB	6126	Children/dependency matters	C	108	L 14	
SB	6128	Student medications/delivery	C	204	L 14	PV
SSB	6129	Paraeducator development	C	136	L 14	PV
SB	6134	Nondepository institutions	C	36	L 14	
SB	6135	Banks and trust companies	C	37	L 14	
ESSB	6137	Pharmacies	C	213	L 14	
SB	6141	UTC and Attorney General records	C	170	L 14	
SSB	6145	Official state oyster	C	146	L 14	
2SSB	6163	Expanded learning	C	219	L 14	
SB	6180	Forest lands & timber lands	C	137	L 14	
SSB	6199	Wildfires/incendiary devices	C	90	L 14	
SB	6201	LEOFF life annuity benefit	C	91	L 14	
SB	6208	Veterans' benefits/services	C	67	L 14	
SSB	6216	County ferries	C	51	L 14	
SB	6219	Traffic on primitive road	C	205	L 14	
SSB	6226	Distillery spirits sales	C	92	L 14	
ESSB	6228	Health care cost and quality	C	224	L 14	PV
ESSB	6242	180-day school year waivers	C	171	L 14	
ESSB	6265	Agencies/patient health information	C	220	L 14	PV
ESSB	6272	Car dealers & manufacturers	C	214	L 14	
SSB	6273	Money transmitters	C	206	L 14	
SSB	6279	Search warrant applications	C	93	L 14	
SSB	6283	Phlebotomists	C	138	L 14	
SB	6284	Public health supplemental account	C	94	L 14	
SB	6299	Prenatal nutrition education	C	38	L 14	
2SSB	6312	Mental health, chemical dependency	C	225	L 14	
SB	6321	PERS, SERS, TRS contribution rate	C	95	L 14	
SB	6328	Deferred compensation plans	C	172	L 14	
2SSB	6330	Housing/urban growth areas	C	96	L 14	
SSB	6333	Tax statutes	C	97	L 14	
SSB	6339	Involuntary servitude	C	52	L 14	
SB	6358	Financial aid policies	C	53	L 14	
SSB	6387	Developmental disabilities services	C	139	L 14	
ESSB	6388	Direct seller license/foods	C	98	L 14	
SB	6405	Nonprofit tax-exempt property	C	99	L 14	
SB	6413	Prior offenses for DUI	C	100	L 14	
SB	6415	DUI consecutive sentences	C	101	L 14	
SB	6419	Medicaid/border communities	C	39	L 14	
SB	6424	Biliteracy seal/high school students	C	102	L 14	
SSB	6431	Youth suicide prevention	C	103	L 14	
ESSB	6436	College bound scholarship	C	215	L 14	
ESSB	6440	Natural gas/fuel taxes	C	216	L 14	
SSB	6442	Cider sales	C	54	L 14	
SSB	6446	County game lands taxation	C	55	L 14	
ESSB	6450	On-water dwellings	C	56	L 14	

SSB	6453	Aging and home care agencies	C	40	L 14	
ESB	6458	Insurance Commissioner/health care	FULL VETO			
ESSB	6479	Caregivers and children	C	104	L 14	
ESB	6501	Used oil recycling	C	173	L 14	
SB	6505	Marijuana industry/tax preferences	C	140	L 14	
ESSB	6511	Healthcare prior authorizing	C	141	L 14	
SB	6514	Farmers markets/beer & wine	C	105	L 14	
ESSB	6517	Agency employees' ID numbers	C	106	L 14	
E2SSB	6518	Innovate Washington	C	174	L 14	
SB	6522	Structured settlements/information	C	142	L 14	
SB	6523	Higher education opportunities	C	1	L 14	
E2SSB	6552	Student hour and graduation requirements	C	217	L 14	PV
ESB	6553	Real property sale proceeds	C	107	L 14	
ESSB	6570	Hospital safety net assessment	C	143	L 14	
SB	6573	Aged & housing programs	C	218	L 14	

Session Law to Bill Number Table

2013 3rd Special Session

C	1	L 13 E3	Aerospace appropriations	EHB	2088
C	2	L 13 E3	Aerospace tax preferences & exemption	ESSB	5952

2014 Regular Session

C	1	L 14	Higher education opportunities	SB	6523
C	2	L 14	Irrigation district administration	ESHB	1417
C	3	L 14	Forcible entry	HB	1607
C	4	L 14	Property tax levy limit	SHB	1634
C	5	L 14	Arrest without warrant	SHB	2057
C	6	L 14	Seattle University license plates	HB	2100
C	7	L 14	Primaries for county offices	HB	2106
C	8	L 14	Credit unions' mergers	HB	2140
C	9	L 14	Child care facilities	ESHB	2191
C	10	L 14	Involuntary medication/jails	SHB	2195
C	11	L 14	Private vocational school students	HB	2228
C	12	L 14	Quick titles processing	HB	2674
C	13	L 14	Property taxes, payment of	SHB	2309
C	14	L 14	Population enumeration data	HB	2515
C	15	L 14	Port district creation	HB	2547
C	16	L 14	Property tax refund order	HB	2446
C	17	L 14	Insurance & financial responsibility	SHB	2448
C	18	L 14	Newborn screening	SHB	2544
C	19	L 14	Design-build contracts	HB	2555
C	20	L 14	Homeowners' associations	SHB	2567
C	21	L 14	Science use/agency actions	SHB	2261
C	22	L 14	Science use/agency actions	SHB	2262
C	23	L 14	Dock construction	ESHB	1090
C	24	L 14	Pretrial release programs	SHB	1171
C	25	L 14	Fire district mergers	HB	1264
C	26	L 14	Energy conservation	ESHB	1643
C	27	L 14	Sales of growlers of wine	SHB	1742
C	28	L 14	State resources/de minimis	HB	1785
C	29	L 14	Liquor catering license	ESHB	2680
C	30	L 14	Snowmobile license fees	ESSB	5889
C	31	L 14	Health plans outside exchange	SB	5931
C	32	L 14	Community forest trust account	2SSB	5973
C	33	L 14	Public utility customer information	SSB	6007
C	34	L 14	Epinephrine autoinjectors	SB	6013
C	35	L 14	Sex offenders/community custody	SSB	6069
C	36	L 14	Nondepository institutions	SB	6134
C	37	L 14	Banks and trust companies	SB	6135
C	38	L 14	Prenatal nutrition education	SB	6299

C 39	L 14	Medicaid/border communities	SB	6419
C 40	L 14	Aging and home care agencies	SSB	6453
C 41	L 14	State waterfall/Palouse	HB	2119
C 42	L 14	Heavy civil construction	HB	2208
C 43	L 14	Milwaukee Road corridor	HB	2225
C 44	L 14	Capital projects/technology infrastructure	ESHB	2298
C 45	L 14	Pipes and irrigation canals	EHB	2733
C 46	L 14	Civil liberties education program	HB	2776
C 47	L 14	Student transition services	2SSB	5958
C 48	L 14	Fish & wildlife enforcement	ESSB	6041
C 49	L 14	Whistleblowers	SSB	6046
C 50	L 14	Background checks/DEL cards	SB	6093
C 51	L 14	County ferries	SSB	6216
C 52	L 14	Involuntary servitude	SSB	6339
C 53	L 14	Financial aid policies	SB	6358
C 54	L 14	Cider sales	SSB	6442
C 55	L 14	County game lands taxation	SSB	6446
C 56	L 14	On-water dwellings	ESSB	6450
C 57	L 14	Small rural hospitals	SSB	5859
C 58	L 14	Real property transfer	2ESHB	1117
C 59	L 14	Ferry vessel replacement	E2SHB	1129
C 60	L 14	Higher education/self-supporting	SHB	1669
C 61	L 14	Government agency meeting agendas	SHB	2105
C 62	L 14	Horse racing fines	SHB	2125
C 63	L 14	Theft from spirits retailers	ESHB	2155
C 64	L 14	Dextromethorphan	2SHB	2163
C 65	L 14	Veterans, military personnel	SHB	2171
C 66	L 14	Public records and meetings	ESB	5964
C 67	L 14	Veterans' benefits/services	SB	6208
C 68	L 14	State agency permitting	E2SHB	2192
C 69	L 14	State tourism marketing program	SHB	2229
C 70	L 14	Provider safety equipment	SHB	2310
C 71	L 14	Suicide prevention	ESHB	2315
C 72	L 14	Collectible vehicles	HB	2359
C 73	L 14	Water quality trading program	SHB	2454
C 74	L 14	Diesel emissions pollution	E2SHB	2569
C 75	L 14	TANF benefits for a child	HB	2585
C 76	L 14	Government environmental reports	EHB	2636
C 77	L 14	Breast cancer license plates	HB	2700
C 78	L 14	Senior center alcohol license	SB	5310

C 79	L 14	Vehicle owner lists	SSB	5467
C 80	L 14	License plates/display, etc.	2ESSB	5785
C 81	L 14	Forested lands fire damages	ESSB	5972
C 82	L 14	Protection product guarantee	SSB	5977
C 83	L 14	Corporate entity conversions	SB	5999
C 84	L 14	Health benefit exchange	ESSB	6016
C 85	L 14	Lake & beach management districts	ESB	6031
C 86	L 14	State parks partnerships	ESB	6034
C 87	L 14	Tanning devices/UV radiation	SB	6065
C 88	L 14	Background checks	SSB	6095
C 89	L 14	State Alzheimer's plan	SSB	6124
C 90	L 14	Wildfires/incendiary devices	SSB	6199
C 91	L 14	LEOFF life annuity benefit	SB	6201
C 92	L 14	Distillery spirits sales	SSB	6226
C 93	L 14	Search warrant applications	SSB	6279
C 94	L 14	Public health supplemental account	SB	6284
C 95	L 14	PERS, SERS, TRS contribution rate	SB	6321
C 96	L 14	Housing/urban growth areas	2SSB	6330
C 97	L 14	Tax statutes	SSB	6333
C 98	L 14	Direct seller license/foods	ESSB	6388
C 99	L 14	Nonprofit tax-exempt property	SB	6405
C100	L 14	Prior offenses for DUI	SB	6413
C101	L 14	DUI consecutive sentences	SB	6415
C102	L 14	Biliteracy seal/high school students	SB	6424
C103	L 14	Youth suicide prevention	SSB	6431
C104	L 14	Caregivers and children	ESSB	6479
C105	L 14	Farmers markets/beer & wine	SB	6514
C106	L 14	Agency employees' ID numbers	ESSB	6517
C107	L 14	Real property sale proceeds	ESB	6553
C108	L 14	Children/dependency matters	E2SSB	6126
C109	L 14	Prostitution convictions	SHB	1292
C110	L 14	Statements by juveniles	HB	1724
C111	L 14	Firearms/restraining orders	ESHB	1840
C112	L 14	Economic development agencies	E2SHB	2029
C113	L 14	Civil actions by prisoners	SHB	2102
C114	L 14	Recreational trails	ESHB	2151
C115	L 14	Eosinophilic GI disorders	SHB	2153
C116	L 14	Physical therapists	ESHB	2160
C117	L 14	Juvenile firearm offenders	ESHB	2164
C118	L 14	Telecommunications industry	SHB	2175

C 119	L 14		Mercury-containing lights	ESHB	2246
C 120	L 14	PV	Fish barrier removals	2SHB	2251
C 121	L 14		Petition signatures/cities	HB	2296
C 122	L 14		Extended foster care	EHB	2335
C 123	L 14		Annexation/utility notice	SHB	2433
C 124	L 14		Parking, person w/disability	ESHB	2463
C 125	L 14		Land use/horticulture	E2SHB	2493
C 126	L 14		Health care/volunteers	EHB	2351
C 127	L 14		Maritime industry, etc.	E2SHB	2580
C 128	L 14		Chemical dependency	2SHB	2627
C 129	L 14		Qualified alternate energy resource	HB	2708
C 130	L 14		Offenses prior to age 18	2SSB	5064
C 131	L 14		Farm internship program	SSB	5123
C 132	L 14		Vessel operation/intoxicated	SSB	6014
C 133	L 14		Ski area conveyance safety	SB	6035
C 134	L 14		Aeronautic safety	SSB	6054
C 135	L 14		State agency PCBs reduction	SSB	6086
C 136	L 14	PV	Paraeducator development	SSB	6129
C 137	L 14		Forest lands & timber lands	SB	6180
C 138	L 14		Phlebotomists	SSB	6283
C 139	L 14		Developmental disabilities services	SSB	6387
C 140	L 14		Marijuana industry/tax preferences	SB	6505
C 141	L 14		Healthcare prior authorizing	ESSB	6511
C 142	L 14		Structured settlements/information	SB	6522
C 143	L 14		Hospital safety net assessment	ESSB	6570
C 144	L 14		Securities/crowdfunding	ESHB	2023
C 145	L 14		Firefighter, definition	HB	2456
C 146	L 14		Official state oyster	SSB	6145
C 147	L 14		Voluntary planning under GMA	EHB	1224
C 148	L 14		Prevailing wage filings	SHB	1254
C 149	L 14		Industrial land banks	HB	1360
C 150	L 14	PV	Foreign language interpreters	2SHB	1709
C 151	L 14		Electronic competitive bidding	SHB	1841
C 152	L 14		Timber purchase reporting	HB	2099
C 153	L 14		Regional transit authorities	ESHB	2111
C 154	L 14		Commercial motor vehicles	HB	2137
C 155	L 14	PV	Basic education funding	E2SHB	2207
C 156	L 14		Telecommunications installations	HB	2253
C 157	L 14		Residential schools/ESDs	HB	2276
C 158	L 14		Community college degrees	HB	2398

C159	L 14		Emergency provider liability	SHB	2492
C160	L 14		Early education/children in welfare	ESHB	2519
C161	L 14		Teacher assignment data	HB	2575
C162	L 14		Higher education efficiencies	SHB	2613
C163	L 14		Parents w/developmental disabilities	2SHB	2616
C164	L 14		Foreclosures	HB	2723
C165	L 14		Archaeological resource information	SHB	2724
C166	L 14		Medicaid personal care	ESHB	2746
C167	L 14		Motorcycles at traffic signals	SB	5141
C168	L 14		Holidays/faith & conscience	SSB	5173
C169	L 14		Mason County superior court judges	SB	5981
C170	L 14		UTC and Attorney General records	SB	6141
C171	L 14		180-day school year waivers	ESSB	6242
C172	L 14		Deferred compensation plans	SB	6328
C173	L 14		Used oil recycling	ESB	6501
C174	L 14		Innovate Washington	E2SSB	6518
C175	L 14		Juvenile records access	2SHB	1651
C176	L 14		Tribal fishing/convictions	SHB	2080
C177	L 14		Native American Heritage Day	SSB	6078
C178	L 14		Officer Promotion Board	HB	2115
C179	L 14		Veterans innovations program	HB	2130
C180	L 14		Military member dependents	SHB	2363
C181	L 14		Medal of Honor license plate	EHB	2397
C182	L 14		Veteran-owned businesses	HB	2744
C183	L 14		Military/resident tuition	SB	5318
C184	L 14		Veterans' homes	SSB	5691
C185	L 14		Veterans/drivers' licenses	SB	5775
C186	L 14		Academic credit/military	SSB	5969
C187	L 14		Midwifery	2SHB	1773
C188	L 14		Trafficking	SHB	1791
C189	L 14		Hearing instrument fitters	EHB	2108
C190	L 14		L&I appeal bonds	SHB	2146
C191	L 14	PV	Challenged schools	HB	2167
C192	L 14		Marijuana licenses	ESHB	2304
C193	L 14		Medicaid transportation brokers	SHB	2318
C194	L 14		Athletic trainers	SHB	2430
C195	L 14		Derelict & abandoned vessels	2SHB	2457
C196	L 14		Student success in school	SHB	2739
C197	L 14		Initial vehicle registration	HB	2741
C198	L 14		Managed health care/payments	HB	2798

C199	L 14		Day spas/wine or beer	ESSB	5045
C200	L 14		Homeless housing surcharge	ESSB	5875
C201	L 14		Short-barreled rifles	SB	5956
C202	L 14		Invasive species	ESSB	6040
C203	L 14		Process server requirements	SB	6115
C204	L 14	PV	Student medications/delivery	SB	6128
C205	L 14		Traffic on primitive road	SB	6219
C206	L 14		Money transmitters	SSB	6273
C207	L 14		Indian tribes/property tax	ESHB	1287
C208	L 14		Opportunity scholarship	SHB	2612
C209	L 14	PV	Educational attainment goals	ESHB	2626
C210	L 14		Unpaid wages collection	SSB	5360
C211	L 14		School data internet access	2SSB	6062
C212	L 14		Homeless student educational outcomes	SSB	6074
C213	L 14		Pharmacies	ESSB	6137
C214	L 14		Car dealers & manufacturers	ESSB	6272
C215	L 14		College bound scholarship	ESSB	6436
C216	L 14		Natural gas/fuel taxes	ESSB	6440
C217	L 14	PV	Student hour and graduation requirements	E2SSB	6552
C218	L 14		Aged & housing programs	SB	6573
C219	L 14		Expanded learning	2SSB	6163
C220	L 14	PV	Agencies/patient health information	ESSB	6265
C221	L 14	PV	Operating supplemental budget 2014	ESSB	6002
C222	L 14	PV	Transportation supplemental budget 2013-2015	ESSB	6001
C223	L 14	PV	Healthcare purchase, delivery	E2SHB	2572
C224	L 14	PV	Health care cost and quality	ESSB	6228
C225	L 14		Mental health, chemical dependency	2SSB	6312
Full Veto			Public facilities' grants	SHB	1260
Full Veto			Government surveillance	EHB	2789
Full Veto			Notice against trespass	ESB	5048
Full Veto			Insurance Commissioner/health care	ESB	6458

EXECUTIVE AGENCIES

Department of Health
John Wiesman

Office of the Family and Children Ombudsman
Mary Meinig

UNIVERSITIES AND COLLEGES BOARDS OF TRUSTEES

Central Washington University
Amy L. McCoy
Keith Thompson

Eastern Washington University
Uriel R. Iniguez

The Evergreen State College
Frederick Goldberg
Keith L. Kessler

University of Washington
Constance W. Rice
Rogelio Riojas
Kiana M. Scott

Washington State University
Lindsey Schaffer

Western Washington University
Heather L. Flaherty

HIGHER EDUCATION BOARD

Higher Education Facilities Authority
Roy Heynderickx

Professional Educator Standards Board
Takiyah Jackson
Barbara A. Taylor
Jodi N. Thew
Noah Zeichner

COMMUNITY AND TECHNICAL COLLEGES BOARDS OF TRUSTEES

Bates Technical College District No. 28
Lillian Hunter

Bellingham Technical College District No. 25
Debbie J. Ahl
Lisa K. Woo

Centralia Community College District No. 12
Joanne H. Schwartz

Clark Community College District No. 14
Jack Burkman
Rekah T. Strong

Clover Park Technical College District No. 29
Mary B. Moss

Columbia Basin Community College District No. 19
Bill Gordon

Edmonds Community College District No. 23
John Jessop
Carl J. Zapora

Everett Community College District No. 5
Betty J. Cobbs

Green River Community College District No. 10
Thomas A. Campbell

Highline Community College District No. 9
Fiasili L. Savusa

Lake Washington Technical College District No. 26
Anne Hamilton

Lower Columbia Community College District No. 13
Heidi Heywood
George Raiter

Olympic Community College District No. 3
Stephen L. Warner

Peninsula Community College District No. 1
Erik S. Rohrer

Pierce Community College District No. 11
Brett R. Willis

Seattle, So. Seattle, and No. Seattle Community College District No. 6
Carmen W. Gayton
Steven R. Hill

Shoreline Community College District No. 7
Catherine P. D'Ambrosio
Thomas W. Lux
J. Tayloe Washburn

South Puget Sound Community College District No. 24
Alberta B. Clarkson

Spokane and Spokane Falls Community College District No. 17
Michael D. Wilson

State Board for Community and Technical Colleges
Elizabeth Chen
Jay A. Reich

Walla Walla Community College District No. 20
Roland Schirman

Wenatchee Valley Community College District No. 15
Philip G. Rasmussen

Yakima Valley Community College District No. 16
Robert Ozuna

STATE BOARDS, COUNCILS, AND COMMISSIONS

Board of Trustees for the Center of Childhood Deafness and Hearing Loss
Nancy K. Fitta
Charlotte Parsley

Clemency and Pardons Board
James McDevitt

State Board of Education
Connie L. Fletcher
Deborah J. Wilds

Sentencing Guidelines Commission
David Boerner
Janice E. Ellis
Kathleen M. Kyle
Maryann J. Moreno
Lenell Nussbaum
Paul A. Pastor
Daniel T. Satterberg

Transportation Commission
Jerald (Jerry) R. Litt
Philip A. Parker

Washington State Student Achievement Council
Jeffrey Charbonneau

Work Force Training and Education Coordinating Board
Mark Mattke

2014 Legislative Officers and Caucus Officers

House of Representatives

Frank Chopp ..... Speaker
Jim Moeller ..... Speaker Pro Tempore
Tina Orwall .....Assistant Speaker Pro Tempore
Pat Sullivan .....Majority Leader
Eric Pettigrew .....Majority Caucus Chair
Kevin Van De Wege ..... Majority Whip
Marcus Riccelli ..... Deputy Majority Whip
Tami Green ..... Majority Floor Leader
Larry Springer .....Deputy Majority Leader
for Jobs & Economic Development
Kristine Lytton .....Deputy Majority Floor Leader
June Robinson .....Assistant Majority Whip
Brady Walkinshaw.....Assistant Majority Whip

Republican Leadership

Dan Kristiansen .....Minority Leader
Joel Kretz .....Deputy Minority Leader
Judy Warnick .....Minority Caucus Chair
Paul Harris .....Minority Whip
J.T. Wilcox ..... Minority Floor Leader
Shelly Short .....Minority Caucus Vice Chair
Matt Shea .....Assistant Minority Floor Leader
Chad Magendanz ...Assistant Minority Floor Leader
Elizabeth Scott ..... Assistant Minority Whip
Drew MacEwen ..... Assistant Minority Whip
Jeff Holy ..... Assistant Minority Whip

Barbara Baker.....Chief Clerk
Bernard Dean ..... Deputy Chief Clerk

Senate

Officers

Lt. Governor Brad Owen..... President
Tim Sheldon ..... President Pro Tempore
Sharon Brown .....Vice President Pro Tempore
Hunter G. Goodman .....Secretary
Brad Hendrickson .....Deputy Secretary

Caucus Officers

Majority Coalition Caucus

Rodney Tom.....Majority Coalition Leader
Mark Schoesler .....Republican Leader
Linda Evans Parlette ..... Majority Caucus Chair
Joe Fain .....Majority Floor Leader
Ann Rivers..... Majority Whip
Don Benton.....Majority Caucus Deputy Leader
Bruce Dammeier..... Majority Caucus Vice Chair
Jim Honeyford ..... Majority Assistant Floor Leader
John Braun..... Majority Assistant Deputy Whip

Democratic Caucus

Sharon Nelson ..... Democratic Leader
Karen Fraser..... Democratic Caucus Chair
Mark Mullet.....Democratic Vice Caucus Chair
Christine Rolfes.....Democratic Floor Leader
David Frockt.....Democratic Deputy Leader
Annette Cleveland .... Democratic Asst. Floor Leader
Andy Billig .....Democratic Whip

District 1
Sen. Rosemary McAuliffe (D)
Rep. Derek Stanford (D-1)
Rep. Luis Moscoso (D-2)

District 2
Sen. Randi Becker (R)
Rep. Graham Hunt (R-1)
Rep. J.T. Wilcox (R-2)

District 3
Sen. Andy Billig (D)
Rep. Marcus Riccelli (D-1)
Rep. Timm Ormsby (D-2)

District 4
Sen. Mike Padden (R)
Rep. Leonard Christian (R-1)
Rep. Matt Shea (R-2)

District 5
Sen. Mark Mullet (D)
Rep. Jay Rodne (R-1)
Rep. Chad Magendanz (R-2)

District 6
Sen. Michael Baumgartner (R)
Rep. Kevin Parker (R-1)
Rep. Jeff Holy (R-2)

District 7
Sen. Brian Dansel (R)
Rep. Shelly Short (R-1)
Rep. Joel Kretz (R-2)

District 8
Sen. Sharon Brown (R)
Rep. Brad Klippert (R-1)
Rep. Larry Haler (R-2)

District 9
Sen. Mark Schoesler (R)
Rep. Susan Fagan (R-1)
Rep. Joe Schmick (R-2)

District 10
Sen. Barbara Bailey (R)
Rep. Norma Smith (R-1)
Rep. Dave Hayes (R-2)

District 11
Sen. Bob Hasegawa (D)
Rep. Zack Hudgins (D-1)
Rep. Steve Bergquist (D-2)

District 12
Sen. Linda Evans Parlette (R)
Rep. Cary Condotta (R-1)
Rep. Brad Hawkins (R-2)

District 13
Sen. Janéa Holmquist Newbry (R)
Rep. Judy Warnick (R-1)
Rep. Matt Manweller (R-2)

District 14
Sen. Curtis King (R)
Rep. Norm Johnson (R-1)
Rep. Charles Ross (R-2)

District 15
Sen. Jim Honeyford (R)
Rep. Bruce Chandler (R-1)
Rep. David Taylor (R-2)

District 16
Sen. Mike Hewitt (R)
Rep. Maureen Walsh (R-1)
Rep. Terry Nealey (R-2)

District 17
Sen. Don Benton (R)
Rep. Monica Stonier (D-1)
Rep. Paul Harris (R-2)

District 18
Sen. Ann Rivers (R)
Rep. Brandon Vick (R-1)
Rep. Liz Pike (R-2)

District 19
Sen. Brian Hatfield (D)
Rep. Dean Takko (D-1)
Rep. Brian Blake (D-2)

District 20
Sen. John Braun (R)
Rep. Richard DeBolt (R-1)
Rep. Ed Orcutt (R-2)

District 21
Sen. Marko Liias (D)
Rep. Mary Helen Roberts (D-1)
Rep. Lillian Ortiz-Self (D-2)

District 22
Sen. Karen Fraser (D)
Rep. Chris Reykdal (D-1)
Rep. Sam Hunt (D-2)

District 23
Sen. Christine Rolfes (D)
Rep. Sherry Appleton (D-1)
Rep. Drew Hansen (D-2)

District 24
Sen. James Hargrove (D)
Rep. Kevin Van De Wege (D-1)
Rep. Steve Tharinger (D-2)

District 25
Sen. Bruce Dammeier (R)
Rep. Dawn Morrell (D-1)
Rep. Hans Zeiger (R-2)

District 26
Sen. Jan Angel (R)
Rep. Jesse Young (R-1)
Rep. Larry Seaquist (D-2)

District 27
Sen. Jeannie Darneille (D)
Rep. Laurie Jinkins (D-1)
Rep. Jake Fey (D-2)

Legislative Members by District

District 28
Sen. Steve O'Ban (R)
Rep. Dick Muri (R-1)
Rep. Tami Green (D-2)

District 29
Sen. Steve Conway (D)
Rep. David Sawyer (D-1)
Rep. Steve Kirby (D-2)

District 30
Sen. Tracey Eide (D)
Rep. Linda Kochmar (R-1)
Rep. Roger Freeman (D-2)

District 31
Sen. Pam Roach (R)
Rep. Cathy Dahlquist (R-1)
Rep. Christopher Hurst (D-2)

District 32
Sen. Maralyn Chase (D)
Rep. Cindy Ryu (D-1)
Rep. Ruth Kagi (D-2)

District 33
Sen. Karen Keiser (D)
Rep. Tina Orwall (D-1)
Rep. Mia Gregerson (D-2)

District 34
Sen. Sharon Nelson (D)
Rep. Eileen Cody (D-1)
Rep. Joe Fitzgibbon (D-2)

District 35
Sen. Tim Sheldon (D)
Rep. Kathy Haigh (D-1)
Rep. Drew MacEwen (R-2)

District 36
Sen. Jeanne Kohl-Welles (D)
Rep. Reuven Carlyle (D-1)
Rep. Gael Tarleton (D-2)

District 37
Sen. Adam Kline (D)
Rep. Sharon Tomiko Santos (D-1)
Rep. Eric Pettigrew (D-2)

District 38
Sen. John McCoy (D)
Rep. June Robinson (D-1)
Rep. Mike Sells (D-2)

District 39
Sen. Kirk Pearson (R)
Rep. Dan Kristiansen (R-1)
Rep. Elizabeth Scott (R-2)

District 40
Sen. Kevin Ranker (D)
Rep. Kristine Lytton (D-1)
Rep. Jeff Morris (D-2)

District 41
Sen. Steve Litzow (R)
Rep. Tana Senn (D-1)
Rep. Judy Clibborn (D-2)

District 42
Sen. Doug Ericksen (R)
Rep. Jason Overstreet (R-1)
Rep. Vincent Buys (R-2)

District 43
Sen. Jamie Pedersen (D)
Rep. Brady Walkinshaw (D-1)
Rep. Frank Chopp (D-2)

District 44
Sen. Steve Hobbs (D)
Rep. Hans Dunshee (D-1)
Rep. Mike Hope (R-2)

District 45
Sen. Andy Hill (R)
Rep. Roger Goodman (D-1)
Rep. Larry Springer (D-2)

District 46
Sen. David Frockt (D)
Rep. Gerry Pollet (D-1)
Rep. Jessyn Farrell (D-2)

District 47
Sen. Joe Fain (R)
Rep. Mark Hargrove (R-1)
Rep. Pat Sullivan (D-2)

District 48
Sen. Rodney Tom (D)
Rep. Ross Hunter (D-1)
Rep. Cyrus Habib (D-2)

District 49
Sen. Annette Cleveland (D)
Rep. Sharon Wylie (D-1)
Rep. Jim Moeller (D-2)

Senate Agriculture, Water & Rural Economic Development
Brian Hatfield, Chair
Jim Honeyford*
Sharon Brown
Tracey Eide
Steve Hobbs
Mark Schoesler

Senate Commerce & Labor
Janéa Holmquist Newbry, Chair
John Braun, Vice Chair
Steve Conway*
Bob Hasegawa
Mike Hewitt
Curtis King
Jeanne Kohl-Welles

Senate Early Learning & K-12 Education
Steve Litzow, Chair
Bruce Dammeier, Vice Chair
Rosemary McAuliffe*
Christine Rolfes**
Andy Billig
Sharon Brown
Annette Cleveland
Joe Fain
Andy Hill
Mark Mullet
Ann Rivers

Senate Energy, Environment & Telecommunications
Doug Ericksen, Chair
Tim Sheldon, Vice Chair
John McCoy*
Andy Billig
Sharon Brown
Maralyn Chase
Jim Honeyford
Steve Litzow
Kevin Ranker

Senate Financial Institutions, Housing & Insurance
Jan Angel, Co-Chair
Steve Hobbs, Co-Chair
Mike Mullet, Vice Co-Chair
Don Benton, Vice Co-Chair
Joe Fain
Brian Hatfield
Sharon Nelson
Pam Roach

Senate Governmental Operations
Pam Roach, Chair
Don Benton, Vice Chair
Bob Hasegawa*
Steve Conway
Brian Dansel
John McCoy
Ann Rivers

Senate Health Care
Randi Becker, Chair
Bruce Dammeier, Vice Chair
Jamie Pedersen*
Jan Angel
Barbara Bailey
Annette Cleveland
Karen Keiser
Linda Evans Parlette

Senate Higher Education
Barbara Bailey, Chair
Randi Becker, Vice Chair
Jeanne Kohl-Welles*
Michael Baumgartner
David Frockt
Rosemary McAuliffe
Rodney Tom

Senate Human Services & Corrections
Steve O'Ban, Chair
Kirk Pearson, Vice Chair
Jeannie Darneille*
James Hargrove
Mike Padden

Senate Law & Justice
Mike Padden, Chair
Steve O'Ban, Vice Chair
Adam Kline*
Jeannie Darneille
Kirk Pearson
Jamie Pedersen
Pam Roach

Senate Natural Resources & Parks
Kirk Pearson, Chair
Marko Liias*
Brian Dansel
James Hargrove
Mike Hewitt
Adam Kline
Linda Evans Parlette

*Ranking Member / **Assistant Ranking Member /
*** Vice Co-Chair / ****Budget Leadership Cabinet

Standing Committee Assignments

Senate Rules
Lt. Governor Brad Owen, Chair
Tom Sheldon, Vice Chair
Barbara Bailey
Randi Becker
Don Benton
Andy Billig
Maralyn Chase
Bruce Dammeier
Jeannie Darneille
Doug Ericksen
Joe Fain
Karen Fraser
Curtis King
Jeanne Kohl-Welles
John McCoy
Sharon Nelson
Linda Evans Parlette
Kirk Pearson
Ann Rivers
Christine Rolfes
Mark Schoesler
Tom Rodney

Senate Trade & Economic Development
John Braun, Chair
Jan Angel, Vice Chair
Maralyn Chase*
Michael Baumgartner
Janéa Holmquist Newbry
Marko Liias
Jamie Pedersen

Senate Transportation
Curtis King, Co-Chair
Tracey Eide, Co-Chair
Steve Hobbs***
Joe Fain****
Jan Angel
Sharon Brown
Annette Cleveland
Brian Dansel
Doug Ericksen
Marko Liias
Steve Litzow
Mark Mullet
Steve O'Ban
Christine Rolfes
Tim Sheldon

Senate Ways & Means
Andy Hill, Chair
Michael Baumgartner, Vice Chair
Jim Honeyford, Capital Budget Chair
James Hargrove*
Karen Keiser**Capital Budget
Kevin Ranker**Oper. Budget
Barbara Bailey
Randi Becker
Andy Billig
John Braun
Steve Conway
Bruce Dammeier
Karen Fraser
David Frockt
Bob Hasegawa
Brian Hatfield
Mike Hewitt
Jeanne Kohl-Welles
Mike Padden
Linda Evans Parlette
Ann Rivers
Mark Schoesler
Rodney Tom

*Ranking Member / **Assistant Ranking Member

House Agriculture & Natural Resources
Brian Blake, Chair
Kristine Lytton, V. Chair
Vincent Buys*
Drew MacEwen**
Bruce Chandler
Hans Dunshee
Kathy Haigh
Christopher Hurst
Joel Kretz
Ed Orcutt
Eric Pettigrew
Joe Schmick
Derek Stanford
Kevin Van De Wege
Judy Warnick

House Appropriations
Ross Hunter, Chair
Timm Ormsby, V. Chair
Bruce Chandler *
Charles Ross**
J.T. Wilcox**
Vincent Buys
Rueven Carlyle
Leonard Christian
Eileen Cody
Cathy Dahlquist
Hans Dunshee
Susan Fagan
Tami Green
Kathy Haigh
Larry Haler
Paul Harris
Zack Hudgins
Graham Hunt
Sam Hunt
Laurie Jinkins
Ruth Kagi
Kristine Lytton
Dawn Morrell
Kevin Parker
Eric Pettigrew
Joe Schmick
Larry Seaquist
Larry Springer
Pat Sullivan
David Taylor
Steve Tharinger

House Appropriations Subcommittee on Education
Kathy Haigh, Chair
Susan Fagan*
Reuven Carlyle
Cathy Dahlquist
Larry Haler
Kristine Lytton
Eric Pettigrew
Larry Seaquist
Pat Sullivan
J.T. Wilcox

House Appropriations Subcommittee on General Government & Information Technology
Zack Hudgins, Chair
Kevin Parker*
Vincent Buys
Leonard Christian
Hans Dunshee
Sam Hunt
Laurie Jinkins
Larry Springer
David Taylor

House Appropriations Subcommittee on Health & Human Services
Dawn Morrell, Chair
Paul Harris*
Eileen Cody
Tami Green
Graham Hunt
Ruth Kagi
Timm Ormsby
Charles Ross
Joe Schmick
Steve Tharinger

House Business & Financial Services
Steve Kirby, Chair
Cindy Ryu, V. Chair
Kevin Parker*
Brandon Vick**
Brian Blake
Susan Fagan
Cyrus Habib
Brad Hawkins
Zack Hudgins
Graham Hunt
Christopher Hurst
Linda Kochmar
Drew MacEwen
Sharon Santos
Derek Stanford

House Capital Budget
Hans Dunshee, Chair
Derek Stanford, V. Chair
Richard DeBolt*
Drew MacEwen**
Sherry Appleton
Leonard Christian
Marcus Riccelli
June Robinson
Elizabeth Scott
Tana Senn
Norma Smith
Monica Stonier
Judy Warnick

House Community Development, Housing & Tribal Affairs
Sherry Appleton, Chair
David Sawyer, V. Chair
Norm Johnson*
Jeff Holy**
Mia Gregerson
Mike Hope
June Robinson
Sharon Santos
Jesse Young

*Ranking Member / **Assistant Ranking Member

Standing Committee Assignments

House Early Learning & Human Services
Ruth Kagi, Chair
Roger Freeman, V. Chair
Maureen Walsh*
Elizabeth Scott**
Susan Fagan
Roger Goodman
Drew MacEwen
Lillian Ortiz-Self
Mary Helen Roberts
David Sawyer
Tana Senn
Jesse Young
Hans Zeiger

House Education
Sharon Santos, Chair
Monica Stonier, V. Chair
Cathy Dahlquist*
Chad Magendanz**
Steve Bergquist
Jake Fey
Kathy Haigh
Mark Hargrove
Brad Hawkins
Dave Hayes
Sam Hunt
Brad Klippert
Kristine Lytton
Dick Muri
Tina Orwall
Kevin Parker
Gerry Pollet
Larry Seaquist
Judy Warnick

House Environment
Joe Fitzgibbon, Chair
Tana Senn, V. Chair
Shelly Short*
Liz Pike**
Jessyn Farrell
Jake Fey
Paul Harris
Ruth Kagi
Jeff Morris
Terry Nealey
Lillian Ortiz-Self
Jason Overstreet
Steve Tharinger

House Finance
Reuven Carlyle, Chair
Steve Tharinger, V. Chair
Terry Nealey*
Ed Orcutt**
Cary Condotta
Joe Fitzgibbon
Drew Hansen
Kristine Lytton
Gerry Pollet
Chris Reykdal
Larry Springer
Brandon Vick
J.T. Wilcox

Government Accountability & Oversight
Christopher Hurst, Chair
Sharon Wylie, V. Chair
Cary Condotta*
Jeff Holy**
Brian Blake
Steve Kirby
Luis Moscoso
Matt Shea
Brandon Vick

House Government Operations & Elections
Sam Hunt, Chair
Steve Bergquist, V. Chair
David Taylor*
Jesse Young**
Reuven Carlyle
Leonard Christian
Joel Kretz
Matt Manweller
Tina Orwall
June Robinson
Kevin Van De Wege

House Health Care & Wellness
Eileen Cody, Chair
Marcus Riccelli, V. Chair
Joe Schmick*
Paul Harris**
Judy Clibborn
Richard DeBolt
Tami Green
Graham Hunt
Laurie Jinkins
Matt Manweller
Jim Moeller
Dawn Morrell
Jay Rodne
Charles Ross
Shelly Short
Steve Tharinger
Kevin Van De Wege

House Higher Education
Larry Seaquist, Chair
Gerry Pollet, V. Chair
Larry Haler*
Hans Zeiger**
Mia Gregerson
Drew Hansen
Mark Hargrove
Norm Johnson
Chad Magendanz
Dick Muri
Chris Reykdal
David Sawyer
Elizabeth Scott
Mike Sells
Norma Smith
Gael Tarleton
Brady Walkinshaw
Maureen Walsh
Sharon Wylie

*Ranking Member / **Assistant Ranking Member

House Judiciary
Laurie Jinkins, Chair
Drew Hansen, V. Chair
Jay Rodne*
Terry Nealey**
Roger Goodman
Larry Haler
Steve Kirby
Brad Klippert
Dick Muri
Tina Orwall
Mary Helen Roberts
Matt Shea
Brady Walkinshaw

House Labor & Workforce Development
Mike Sells, Chair
Chris Reykdal, V. Chair
Matt Manweller*
Cary Condotta**
Leonard Christian
Tami Green
Graham Hunt
Jim Moeller
Timm Ormsby

House Local Government
Dean Takko, Chair
Mia Gregerson, V. Chair
Jason Overstreet*
Linda Kochmar**
Jessyn Farrell
Joe Fitzgibbon
Liz Pike
Larry Springer
David Taylor

House Public Safety
Roger Goodman, Chair
Mary Helen Roberts, V. Chair
Brad Klippert*
Dave Hayes**
Sherry Appleton
Jeff Holy
Mike Hope
Luis Moscoso
Eric Pettigrew
Charles Ross
Dean Takko

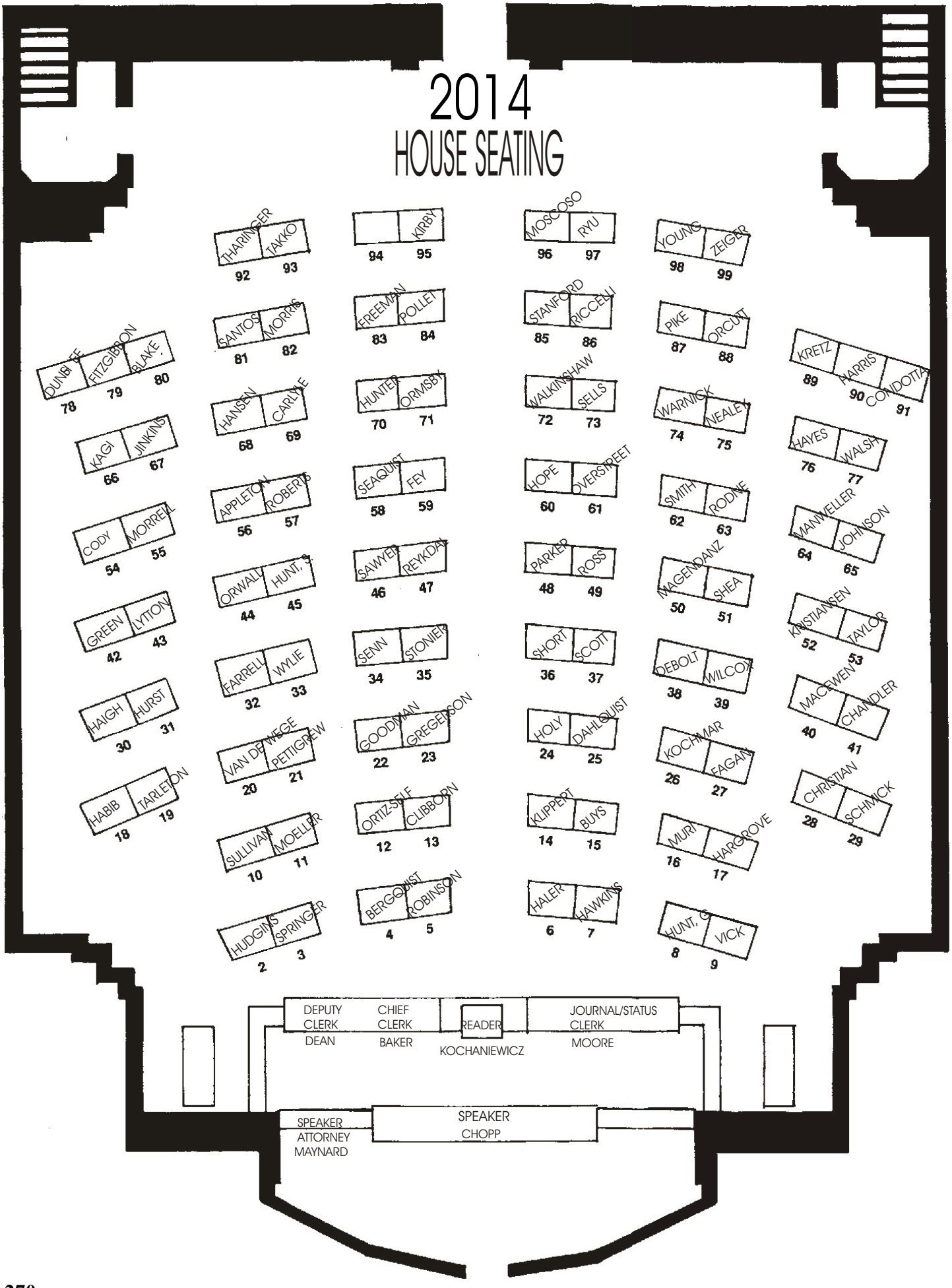
House Rules
Frank Chopp, Chair
Cathy Dahlquist
Susan Fagan
Tami Green
Cyrus Habib
Jeff Holy
Norm Johnson
Linda Kochmar
Joel Kretz
Dan Kristiansen
Kristine Lytton
Chad Magendanz
Jim Moeller
Terry Nealey
Tina Orwall
Eric Pettigrew
Chris Reykdal
Mary Helen Roberts
Cindy Ryu
David Sawyer
Larry Springer
Pat Sullivan
Gael Tarleton
Kevin Van De Wege
J.T. Wilcox

House Technology & Economic Development
Jeff Morris, Chair
Cyrus Habib, V. Chair
Norma Smith*
Shelly Short**
Cathy Dahlquist
Richard DeBolt
Jake Fey
Roger Freeman
Zack Hudgins
Linda Kochmar
Chad Magendanz
Dawn Morrell
Cindy Ryu
Monica Stonier
Gael Tarleton
Brandon Vick
Maureen Walsh
Sharon Wylie
Hans Zeiger

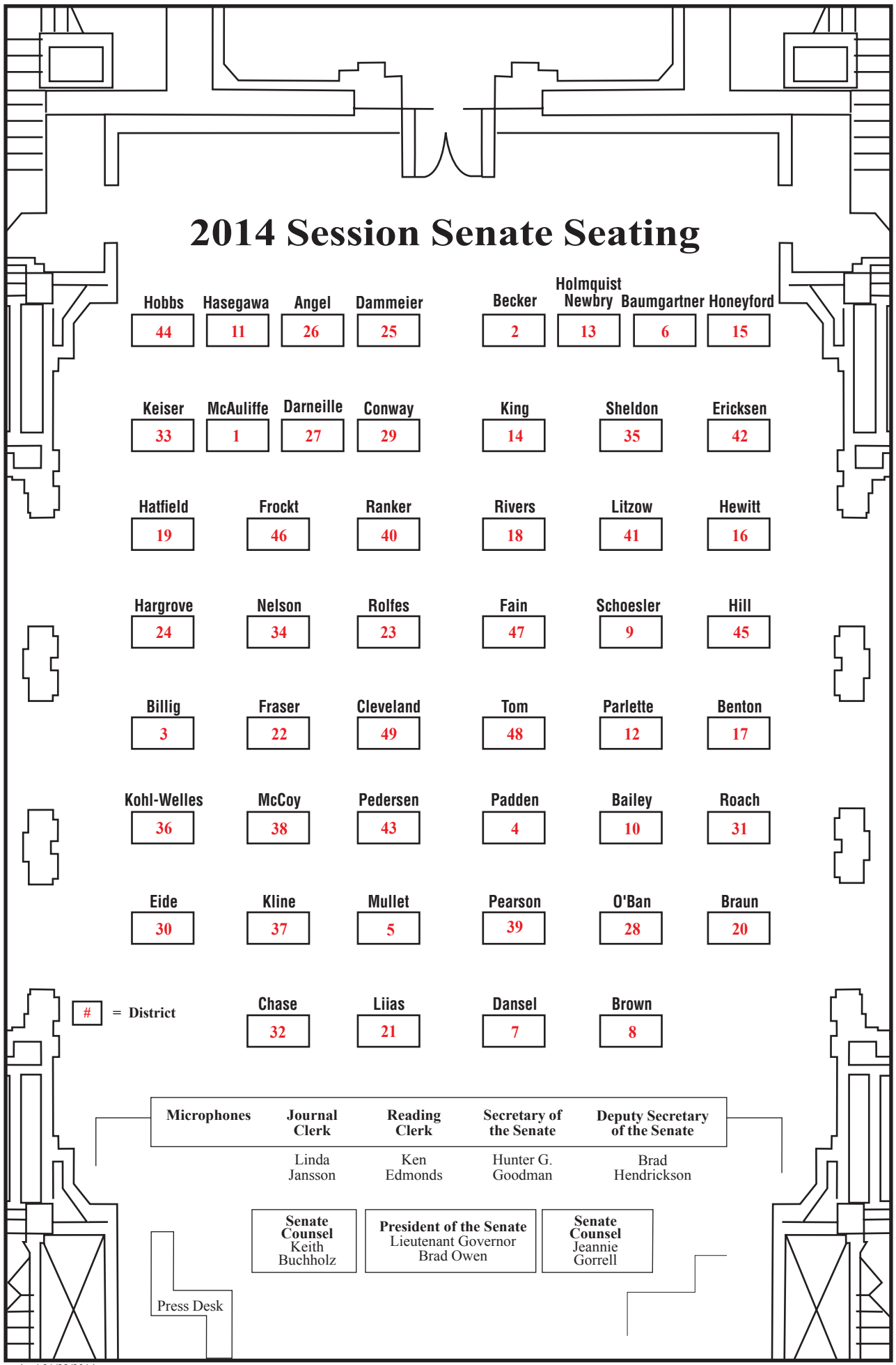
House Transportation
Judy Clibborn, Chair
Jessyn Farrell, V. Chair
Jake Fey, V. Chair
Luis Moscoso, V. Chair
Ed Orcutt*
Mark Hargrove**
Jason Overstreet**
Steve Bergquist
Joe Fitzgibbon
Roger Freeman
Cyrus Habib
Brad Hawkins
Dave Hayes
Norm Johnson
Brad Klippert
Linda Kochmar
Jim Moeller
Jeff Morris
Dick Muri
Lillian Ortiz-Self
Liz Pike
Marcus Riccelli
Jay Rodne
Cindy Ryu
Mike Sells
Matt Shea
Dean Takko
Gael Tarleton
Brady Walkinshaw
Jesse Young
Hans Zeiger

*Ranking Member / **Assistant Ranking Member

2014
HOUSE SEATING



2014 Session Senate Seating



revised 01/22/2014